Gaming & Leisure Properties, Inc.
Form S-4/A
February 16, 2016
Table of Contents

As filed with the Securities and Exchange Commission on February 16, 2016

Registration No. 333-206649

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 4

to

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

GAMING AND LEISURE PROPERTIES, INC.

(Exact Name of Registrant as Specified in Its Charter)

Pennsylvania	6798	46-2116489
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(IRS Employer Identification No.)

845 Berkshire Blvd., Suite 200

Wyomissing, Pennsylvania 19610

(610) 401-2900

(Address, including Zip Code, and Telephone Number, Including Area Code, of Registrant s Principal Executive Offices)

Brandon J. Moore

Senior Vice President, General Counsel & Secretary

845 Berkshire Blvd., Suite 200

Wyomissing, Pennsylvania 19610

(610) 401-2900

(Name, Address, including Zip Code, and Telephone Number, including Area Code, of Agent for Service)

With a copy to:

Daniel A. Neff	**John. A Godfrey**	**Stephen F. Arcano**
Gregory E. Ostling	**Executive Vice President, General Counsel & Secretary**	**Neil P. Stronski**
Wachtell, Lipton, Rosen & Katz	**Pinnacle Entertainment, Inc.**	**Skadden, Arps, Slate, Meagher & Flom LLP**
51 West 52nd Street	**3980 Howard Hughes Parkway**	**4 Times Square**
New York, New York 10019	**Las Vegas, Nevada 89169**	**New York, New York 10036**
(212) 403-1000	**(702) 541-7777**	**(212) 735-3000**

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement is declared effective and upon completion of the merger described in the joint proxy statement/prospectus contained herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, please check the following box. ¨

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the Securities Act), check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer x	Accelerated filer ¨
Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ¨

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ¨

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the SEC, acting pursuant to said section 8(a), may determine.

Table of Contents

Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This joint proxy statement/prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY SUBJECT TO COMPLETION DATED FEBRUARY 16, 2016

MERGER PROPOSED YOUR VOTE IS IMPORTANT

Dear Shareholders of Gaming and Leisure Properties, Inc. and Stockholders of Pinnacle Entertainment, Inc.:

On July 20, 2015, Gaming and Leisure Properties, Inc. (GLPI), Gold Merger Sub, LLC, a direct, wholly owned subsidiary of GLPI (Merger Sub), and Pinnacle Entertainment, Inc. (Pinnacle) entered into an Agreement and Plan of Merger (the merger agreement), providing for the merger of Pinnacle with and into Merger Sub, with Merger Sub surviving the merger as a wholly owned subsidiary of GLPI (the merger) following which GLPI will own all of Pinnacle s real property assets, other than Pinnacle s Belterra Park property and excess land at certain locations. To effect this acquisition of Pinnacle s real estate assets and prior to the merger, subject to the terms and conditions of the agreements described in this joint proxy statement/prospectus, Pinnacle has agreed that it will effect a pro rata distribution to Pinnacle s stockholders of common stock representing a 100% interest in a newly formed public company that will own and operate Pinnacle s gaming and other operating assets and other specified assets (the spin-off).

In connection with the transactions contemplated by the merger agreement, GLPI will issue shares of common stock of GLPI to stockholders of Pinnacle (the share issuance). Under the rules of the NASDAQ Global Select Market (NASDAQ), GLPI is required to obtain shareholder approval of the share issuance. Accordingly, GLPI will hold a special meeting of shareholders to vote on the share issuance (the share issuance proposal) and a related proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance proposal (the GLPI adjournment proposal). Approval of the share issuance proposal requires the affirmative vote, in person or by proxy, of a majority of the votes cast on the proposal by the holders of shares of common stock of GLPI entitled to vote at the special meeting. The special meeting of GLPI s shareholders will be held on [ ], 2016 at the offices of Kozloff Stoudt, 2640 Westview Drive, Wyomissing, Pennsylvania 19610, at 10 a.m. local time. **GLPI s board of directors unanimously recommends that GLPI shareholders vote FOR the GLPI share issuance and FOR the GLPI adjournment proposal**.

In addition, Pinnacle will hold a special meeting of stockholders to vote on a proposal to adopt the merger agreement and approve related matters as described in the attached joint proxy statement/prospectus. Under the laws of the State of Delaware, the approval of Pinnacle s stockholders must be obtained before the merger can be completed. Adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Pinnacle common stock. The special meeting of Pinnacle s stockholders will be held on [ ], 2016 at L Auberge Casino & Hotel Baton Rouge, 777 L Auberge Avenue, Baton Rouge, Louisiana 70820, at 10 a.m. local time. **Pinnacle s board of directors unanimously recommends that Pinnacle stockholders vote FOR the adoption of the merger agreement and FOR the other matters to be considered at the Pinnacle special meeting**.

If the merger is completed, each outstanding share of Pinnacle common stock (with certain exceptions described in the accompanying joint proxy statement/prospectus) will convert into the right to receive 0.85 of a share of GLPI common stock. This merger consideration is in addition to the shares of the new operating company that will previously have been received by Pinnacle stockholders in the spin-off. Although the number of shares of GLPI common stock that Pinnacle stockholders will receive is fixed, the market value of the merger consideration will fluctuate with the market price of GLPI common stock and will not be known at the time that Pinnacle stockholders vote to adopt the merger agreement or at the time GLPI shareholders vote to approve the share issuance. Based on the closing price of GLPI s common stock on NASDAQ on July 20, 2015, the last trading day before the public announcement of the merger, the 0.85 exchange ratio represented approximately $29.56 in value for each share of Pinnacle common stock. Based on GLPI s closing price on February 12, 2016 of $25.60, the 0.85 exchange ratio represented approximately $22.53 in value for each share of Pinnacle common stock. Based upon the assumptions made by GLPI in preparing its pro forma financial information included in this joint proxy statement/prospectus, we estimate that, upon consummation of the transaction, GLPI shareholders will hold approximately 72% and Pinnacle stockholders will hold approximately 28% of the outstanding common stock of GLPI. **We urge you to obtain current market quotations for GLPI (trading symbol GLPI) and Pinnacle (trading symbol PNK).**

The obligations of GLPI and Pinnacle to complete the merger are subject to the satisfaction or waiver of a number of conditions set forth in the merger agreement, a copy of which is included as part of Annex A. This joint proxy statement/prospectus describes the special meeting of GLPI, the special meeting of Pinnacle, the merger, the documents and agreements related to the merger and other related matters. It also contains or references information about GLPI and Pinnacle and certain related agreements and matters. Please carefully read this entire joint proxy statement/prospectus, including Risk Factors, beginning on page 38, for a discussion of the risks relating to the proposed merger. You also can obtain information about GLPI and Pinnacle from documents that each has filed with the Securities and Exchange Commission.

Sincerely,

Peter M. Carlino	Anthony M. Sanfilippo
Chairman and Chief Executive Officer	Chief Executive Officer
Gaming and Leisure Properties, Inc.	Pinnacle Entertainment, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the merger described in this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

This document is dated [ ], 2016 and is first being mailed to shareholders of record of GLPI and stockholders of record of Pinnacle on or about [ ], 2016.

Table of Contents

GAMING AND LEISURE PROPERTIES, INC.

845 Berkshire Blvd., Suite 200

Wyomissing, Pennsylvania 19610

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON [ ], 2016

This is a notice that a special meeting of shareholders of Gaming and Leisure Properties, Inc. (GLPI) will be held on [ ], 2016 at the offices of Kozloff Stoudt, 2640 Westview Drive, Wyomissing, Pennsylvania 19610, at 10 a.m., local time. This special meeting will be held for the following purposes:

1. to approve the issuance of shares of common stock of GLPI, $0.01 par value per share, to stockholders of Pinnacle Entertainment, Inc. (Pinnacle) in connection with the Agreement and Plan of Merger, dated as of July 20, 2015 (as it may be amended from time to time, the merger agreement), by and among GLPI, Gold Merger Sub, LLC, a wholly owned subsidiary of GLPI, and Pinnacle (the share issuance proposal); and

2. to approve the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance proposal (the GLPI adjournment proposal).

This joint proxy statement/prospectus describes the proposals listed above in more detail. Please refer to the attached document, including the merger agreement and all other annexes and any documents incorporated by reference, for further information with respect to the business to be transacted at the special meeting. You are encouraged to read the entire document carefully before voting. In particular, see the section titled The Merger beginning on page 60 for a description of the transactions contemplated by the merger agreement, including the share issuance proposal, and the section titled Risk Factors beginning on page 38 for an explanation of the risks associated with the merger and the other transactions contemplated by the merger agreement, including the share issuance proposal.

GLPI s board of directors unanimously determined that it is in the best interests of GLPI and its shareholders, and declared it advisable, to enter into the merger agreement, and approved the execution, delivery and performance of the merger agreement and the consummation of the transactions contemplated by the merger agreement, including the share issuance proposal. GLPI s board of directors recommends that GLPI shareholders vote FOR the share issuance proposal and FOR the GLPI adjournment proposal.

The GLPI board of directors has fixed the close of business on February 8, 2016 as the record date for determination of GLPI shareholders entitled to receive notice of, and to vote at, the GLPI special meeting or any adjournments or postponements thereof. Only holders of record of GLPI common stock at the close of business on the record date are entitled to receive notice of, and to vote at, the GLPI special meeting.

YOUR VOTE IS VERY IMPORTANT REGARDLESS OF THE NUMBER OF SHARES THAT YOU OWN. The merger between GLPI and Pinnacle cannot be completed without the approval of the share issuance proposal by the affirmative vote, in person or by proxy, of a majority of the votes cast on the proposal by the holders of shares of record of GLPI common stock entitled to vote at the special meeting.

Whether or not you expect to attend the GLPI special meeting in person, we urge you to submit a proxy to have your shares voted as promptly as possible by either: (1) logging onto the website shown on your proxy card and following the instructions to vote online; (2) dialing the toll-free number shown on your proxy card and following the instructions to vote by phone; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the GLPI

Table of Contents

special meeting. Even if you plan to attend the special meeting in person, we request that you complete, sign, date and return the enclosed proxy card and thus ensure that your shares of GLPI common stock will be represented at the special meeting if you are unable to attend.

If your shares are held the name of a broker, bank, trustee or other nominee, please follow the instructions on the voting instruction card furnished by such broker, bank, trustee or other nominee, as appropriate. If you have any questions concerning the share issuance proposal or the other transactions contemplated by the merger agreement or this joint proxy statement/prospectus, would like additional copies or need help voting your shares of GLPI common stock, please contact GLPI s proxy solicitor:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, NY 10016

Stockholders may call toll-free: (800) 322-2885

Banks and brokers may call collect: (212) 929-5500

By Order of the Board of Directors

Brandon J. Moore
Senior Vice President, General Counsel & Secretary

Table of Contents

PINNACLE ENTERTAINMENT, INC.

3980 Howard Hughes Parkway

Las Vegas, Nevada 89169

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS TO BE HELD ON [ ], 2016

This is a notice that a special meeting of stockholders of Pinnacle Entertainment, Inc. (Pinnacle) will be held on [ ], 2016, beginning at 10 a.m., local time, at L Auberge Casino & Hotel Baton Rouge, 777 L Auberge Avenue, Baton Rouge, Louisiana 70820. This special meeting will be held for the following purposes:

1. to adopt the Agreement and Plan of Merger, dated as of July 20, 2015 (as it may be amended from time to time, the merger agreement), by and among Pinnacle, Gaming and Leisure Properties, Inc. (GLPI) and Gold Merger Sub, LLC (Merger Sub), a wholly owned subsidiary of GLPI, pursuant to which Pinnacle will merge with and into Merger Sub (the merger) with Merger Sub surviving the merger as a wholly owned subsidiary of GLPI and each outstanding share of Pinnacle common stock will be converted into the right to receive 0.85 shares, par value $0.01 per share, of common stock of GLPI, together with cash in lieu of fractional shares, if any, pursuant to the merger agreement;

2. to approve on an advisory (non-binding) basis the compensation that may be paid or become payable to Pinnacle s named executive officers that is based on or otherwise related to the proposed merger; and

3. to approve the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement.

This joint proxy statement/prospectus describes the proposals listed above in more detail, as well as other matters contemplated in connection with the proposed merger. Please refer to the attached document, including the merger agreement and all other annexes and including any documents incorporated by reference, for further information with respect to the business to be transacted at the special meeting. You are encouraged to read the entire document carefully before voting.

Pinnacle s board of directors (the Pinnacle board) unanimously determined that it is advisable and in the best interests of Pinnacle s stockholders to enter into the merger agreement, and unanimously approved the merger agreement and the transactions contemplated by the merger agreement, including the merger, and resolved to recommend adoption of the merger agreement by Pinnacle s stockholders and that the adoption of the merger agreement be submitted to a vote at a meeting of Pinnacle s stockholders. The Pinnacle board recommends that Pinnacle stockholders vote FOR the adoption of the merger agreement; FOR the approval on an advisory (non-binding) basis of the compensation that may be paid or become payable to Pinnacle s named executive officers that is based on or otherwise related to the proposed merger; and FOR the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement.

The close of business on February 8, 2016 has been fixed as the record date for determination of Pinnacle stockholders entitled to receive notice of, and to vote at, the Pinnacle special meeting or any adjournments or postponements thereof. Only holders of record of Pinnacle common stock at the close of business on the record date are entitled to receive notice of, and to vote at, the Pinnacle special meeting.

A complete list of registered Pinnacle stockholders entitled to vote at the Pinnacle special meeting will be available for inspection at the principal place of business of Pinnacle at 3980 Howard Hughes Parkway, Las Vegas, Nevada 89169, during regular business hours for a period of no less than 10 days before the special meeting and at the place of the Pinnacle special meeting during the meeting.

Table of Contents

YOUR VOTE IS VERY IMPORTANT REGARDLESS OF THE NUMBER OF SHARES THAT YOU OWN. The merger between Pinnacle and GLPI cannot be completed without the adoption of the merger agreement by the affirmative vote, in person or by proxy, of holders of a majority of the outstanding shares of Pinnacle common stock, entitled to vote as of the record date for the special meeting, voting together as a single class.

Whether or not you expect to attend the Pinnacle special meeting in person, we urge you to submit a proxy to have your shares voted as promptly as possible by either: (1) logging onto the website shown on your proxy card and following the instructions to vote online; (2) dialing the toll-free number shown on your proxy card and following the instructions to vote by phone; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the Pinnacle special meeting. If your shares are held in a Pinnacle plan or in the name of a broker, bank or other nominee, please follow the instructions on the voting instruction card furnished by the plan trustee or administrator, or such broker, bank or other nominee, as appropriate.

If you have any questions concerning the merger agreement or the merger contemplated by the merger agreement or this joint proxy statement/prospectus, would like additional copies or need help voting your shares of Pinnacle common stock, please contact Pinnacle s proxy solicitor:

D. F. King & Co., Inc.

48 Wall Street, 22nd Floor

New York, NY 10005

1-800-697-6975 (toll free) or 1-212-269-5550 (call collect)

By Order of the Board of Directors

John A. Godfrey
Secretary

Table of Contents

ADDITIONAL INFORMATION

Both GLPI and Pinnacle file annual, quarterly and current reports, proxy statements and other business and financial information with the Securities and Exchange Commission (the SEC). You may read and copy any materials that either GLPI or Pinnacle files with the SEC at the SEC s Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at (800) 732-0330 for further information on the Public Reference Room. In addition, GLPI and Pinnacle file reports and other business and financial information with the SEC electronically, and the SEC maintains a website located at http://www.sec.gov containing this information. You can also obtain these documents, free of charge, from GLPI at http://investors.glpropinc.com/sec.cfm or from Pinnacle at http://investors.pnkinc.com/sec.cfm. The information contained on, or that may be accessed through, GLPI s and Pinnacle s websites is not incorporated by reference into, and is not a part of, this joint proxy statement/prospectus.

GLPI has filed a registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part with respect to the shares of GLPI common stock to be issued in the merger. This joint proxy statement/prospectus constitutes the prospectus of GLPI filed as part of the registration statement. As permitted by SEC rules, this joint proxy statement/prospectus does not contain all of the information included in the registration statement or in the exhibits or schedules to the registration statement. You may read and copy the registration statement, including any amendments, schedules and exhibits in the SEC s reading room at the address set forth above or at the SEC s website mentioned above. Statements contained in this joint proxy statement/prospectus as to the contents of any contract or other documents referred to in this joint proxy statement/prospectus are not necessarily complete. In each case, you should refer to the copy of the applicable agreement or other document filed as an exhibit to the registration statement. **This joint proxy statement/prospectus incorporates important business and financial information about GLPI and Pinnacle from documents that are not attached to this joint proxy statement/prospectus. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into this joint proxy statement/prospectus free of charge by requesting them in writing or by telephone from the appropriate company or its proxy solicitor at the following addresses and telephone numbers:**

For GLPI shareholders:	For Pinnacle stockholders:
Gaming and Leisure Properties, Inc.	**Pinnacle Entertainment, Inc.**
845 Berkshire Blvd., Suite 200	**3980 Howard Hughes Parkway**
Wyomissing, PA 19610	**Las Vegas, NV 89169**
(610)-401-2900	**(702) 541-7777**
Attention: Investor Relations	**Attention: Investor Relations**
MacKenzie Partners, Inc.	**D. F. King & Co., Inc.**
105 Madison Avenue	**48 Wall Street, 22nd Floor**
New York, NY 10016	**New York, NY 10005**
Shareholders may call toll-free: (800) 322-2885	**Stockholders may call toll-free: (800) 697-6975**

Banks and brokers may call collect: (212) 929-5500 **Banks and brokers may call collect: (212) 269-5550**

If you would like to request any documents, please do so by [ ], 2016 in order to receive them before the special meetings.

For a more detailed description of the information incorporated by reference into this joint proxy statement/prospectus and how you may obtain it, see Where You Can Find More Information beginning on page 203.

ABOUT THIS JOINT PROXY STATEMENT/PROSPECTUS

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 (Registration No. 333-206649) filed with the SEC by GLPI, constitutes a prospectus of GLPI under the Securities Act of 1933, as amended (the Securities Act), with respect to the shares of GLPI common stock to be issued to Pinnacle stockholders in connection with the merger. This joint proxy statement/prospectus also constitutes a joint proxy statement for both Pinnacle and GLPI under the Securities Exchange Act of 1934, as amended (the Exchange Act). It also constitutes a notice of

Table of Contents

meeting with respect to the special meeting of GLPI shareholders and a notice of meeting with respect to the special meeting of Pinnacle stockholders.

You should rely only on the information contained in or incorporated by reference into this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated [ ], 2016, and you should assume that the information contained in this joint proxy statement/prospectus is accurate only as of such date. You should also assume that the information incorporated by reference into this joint proxy statement/prospectus is only accurate as of the date of such information.

For additional information regarding the spin-off, please see PNK Entertainment, Inc. s Form 10 filed with the SEC (File No. 001-37666).

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this joint proxy statement/prospectus regarding GLPI has been provided by GLPI and information contained in this joint proxy statement/prospectus regarding Pinnacle has been provided by Pinnacle.

Table of Contents

TABLE OF CONTENTS

Table of Contents

Table of Contents

Table of Contents

Table of Contents

QUESTIONS AND ANSWERS

The following are some questions that you, as a shareholder of Gaming and Leisure Properties, Inc. (GLPI) or a stockholder of Pinnacle Entertainment, Inc. (Pinnacle), may have regarding the merger, the issuance of shares of GLPI common stock to Pinnacle stockholders in connection with the merger and other matters being considered at the special meetings of GLPI s shareholders and Pinnacle s stockholders and the answers to those questions. GLPI and Pinnacle urge you to carefully read the remainder of this joint proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the merger, the issuance of shares of GLPI common stock in connection with the merger and the other matters being considered at the special meetings of GLPI s shareholders and Pinnacle s stockholders. Additional important information is also contained in the annexes to and the documents incorporated by reference into this joint proxy statement/prospectus.

Q: Why am I receiving this document?

A: GLPI, Pinnacle and Gold Merger Sub, LLC, a direct, wholly owned subsidiary of GLPI (Merger Sub), have entered into an Agreement and Plan of Merger, dated as of July 20, 2015 (as it may be amended from time to time, the merger agreement), providing for the merger of Pinnacle with and into Merger Sub, with Merger Sub surviving the merger as a wholly owned subsidiary of GLPI (the merger), following which GLPI will own all of Pinnacle s real property assets, other than Pinnacle s Belterra Park property and excess land at certain locations. Subject to the terms and conditions of the merger agreement as described in this joint proxy statement/prospectus and prior to the merger, Pinnacle will also separate and spin off to Pinnacle stockholders its operating business and the real property not being transferred to GLPI into an independent publicly traded company which will exist as a new, publicly traded company.

In order to complete the merger, GLPI shareholders must approve the proposal to issue GLPI common stock to the Pinnacle stockholders pursuant to the merger agreement (the share issuance proposal) and Pinnacle stockholders must approve the proposal to adopt the merger agreement (the merger agreement proposal), and all other conditions to the merger must be satisfied or waived.

GLPI and Pinnacle will hold separate special meetings to obtain these approvals and other related matters, including, in the case of Pinnacle, a vote to approve on an advisory (non-binding) basis the compensation that may be paid or become payable to Pinnacle s named executive officers that is based on or otherwise related to the proposed merger (the compensation proposal). No vote of Pinnacle stockholders is required or being sought in connection with the separation and spin-off of Pinnacle s operating business.

This joint proxy statement/prospectus, which you should read carefully, contains important information about the merger, the GLPI share issuance and other matters being considered at the special meetings of each of the shareholders of GLPI and the stockholders of Pinnacle.

Q: What are the key steps in the proposed transactions?

A: Below is a summary of the key steps of the proposed transactions. For additional information see The Merger Agreement.

Subject to the satisfaction of the terms and conditions of the merger agreement, each outstanding share of Pinnacle common stock, par value $0.10 per share (Pinnacle common stock), will be converted into the right to receive 0.85 of a share of GLPI common stock, par value $0.01 per share (GLPI common stock). No fractional shares of GLPI s common stock will be issued in the merger. Instead, Pinnacle s stockholders will receive cash in lieu of any such fractional shares.

Prior to the merger, Pinnacle will cause assets relating to its operating business to be transferred to, and the liabilities relating thereto to be assumed by, PNK Entertainment, Inc. (OpCo), a wholly owned subsidiary of Pinnacle (the separation), which, immediately after the consummation of the merger, will be renamed

Table of Contents

Pinnacle Entertainment, Inc. Immediately following the separation but prior to the merger, Pinnacle will effect a pro rata distribution to Pinnacle s stockholders of common stock representing a 100% interest in OpCo (the distribution and, together with the separation, the spin-off). OpCo will then be a stand-alone, publicly traded company owned 100% by Pinnacle stockholders.

Prior to, at the time of or immediately following the distribution of the shares of OpCo, OpCo will enter into debt financings. OpCo will use a portion of the proceeds of such debt financing and/or any cash on hand to pay a cash payment to Pinnacle in an amount equal to the amount of existing Pinnacle debt at the time of the spin-off, less $2,700.0 million of debt assumed by GLPI (subject to certain adjustments, the OpCo Cash Payment). The proceeds of the OpCo Cash Payment will be used by GLPI, together with certain GLPI proceeds, to pay off Pinnacle s existing debt.

Q: What will Pinnacle stockholders receive for their shares of Pinnacle common stock in the merger?

A: At the effective time of the merger, each Pinnacle stockholder will be entitled to receive 0.85 shares of GLPI common stock for each share of Pinnacle common stock held (the exchange ratio) in book-entry form, together with cash in lieu of fractional shares, if any, pursuant to the merger agreement (the merger consideration). The shares of GLPI common stock received pursuant to the merger agreement will be in addition to the shares of OpCo common stock that Pinnacle stockholders will be entitled to receive in connection with the spin-off. Immediately after the spin-off, Pinnacle stockholders will own 100% of the issued and outstanding shares of OpCo.

In addition, Pinnacle will take all actions as may be necessary so that at the effective time of the merger, each Pinnacle stock option, restricted stock unit (including phantom stock unit awards, restricted stock unit awards, other stock unit awards, performance share grants, director other stock unit awards, deferred shares and any other similar instruments) and cash performance unit will be treated as described in The Merger Interests of Certain Pinnacle Persons in the Merger.

For additional information regarding the consideration to be received in the merger, see the section entitled The Merger Effects of the Merger. For additional information regarding the spin-off, please see PNK Entertainment, Inc. s Form 10 filed with the SEC (File No. 001-37666).

Q: Who will own OpCo and GLPI immediately following the transactions?

A: Immediately following the consummation of the merger and spin-off, GLPI and Pinnacle estimate that, upon completion of the merger and the related transactions, GLPI shareholders as of immediately prior to the merger will hold approximately 72% and Pinnacle stockholders will hold approximately 28% of the outstanding common stock of GLPI (which percentages are based upon the assumptions made by GLPI in preparing its pro forma financial information included in this joint proxy statement/prospectus), and that holders of record of Pinnacle common stock will own 100% of OpCo.

Q: How important is my vote?

A: The votes of GLPI s shareholders FOR the share issuance proposal and Pinnacle s stockholders FOR the merger agreement proposal and the compensation proposal are very important. You are encouraged to submit a proxy as soon as possible.

Approval of the share issuance proposal requires the affirmative vote, in person or by proxy, of a majority of the votes cast by holders of shares of GLPI common stock entitled to vote. Any abstention from voting by a GLPI shareholder will have the same effect as a vote against this proposal. The failure of any GLPI shareholder to submit a vote and any broker non-vote will not be counted in determining the votes cast in connection with this proposal and therefore will have no impact on this proposal.

Adoption of the merger agreement proposal requires the affirmative vote, in person or by proxy, of holders of a majority of the outstanding shares of Pinnacle common stock entitled to vote. Any abstention from

Table of Contents

voting by a Pinnacle stockholder, the failure of any Pinnacle stockholder to submit a vote and any broker non-vote will have the same effect as voting against this proposal. The compensation proposal will be approved if more votes are cast in favor of the proposal than against the proposal. Since the compensation proposal is non-binding, if the merger agreement is approved by Pinnacle stockholders and the merger is completed, the compensation that is the subject of the compensation proposal, which includes amounts GLPI or Pinnacle are contractually obligated to pay, would still be paid regardless of the outcome of the non-binding advisory vote. Failure to vote, or failure to instruct your broker, bank or nominee to vote, abstentions and broker nonvotes will not be counted as a vote for or against the merger-related compensation proposal.

Q: How do the GLPI board and the Pinnacle board recommend that I vote?

A: GLPI s board of directors unanimously determined that it is in the best interests of GLPI and its shareholders, and declared it advisable, to enter into the merger agreement, and approved the execution, delivery and performance of the merger agreement and the consummation of the transactions contemplated by the merger agreement, including the share issuance proposal. For a detailed description of the various factors considered by the GLPI board of directors, see the section titled The Merger Recommendation of GLPI s Board of Directors and Reasons for the Merger.

Accordingly, GLPI s board of directors unanimously recommends that GLPI shareholders vote FOR the share issuance proposal and FOR the proposal to adjourn the special meeting of GLPI shareholders, if necessary or appropriate, to solicit additional proxies in favor of the share issuance proposal if there are not sufficient votes at the time of such adjournment to approve the share issuance (the GLPI adjournment proposal).

Pinnacle s board of directors, after considering the various factors described under The Merger Recommendation of the Pinnacle Board and Reasons for the Merger, the comprehensive process conducted by the Pinnacle board and the alternatives to the merger (including remaining as a stand-alone company), has unanimously determined that it is advisable and in the best interests of Pinnacle s stockholders to enter into the merger agreement, and unanimously approved the merger agreement and the transactions contemplated by the merger agreement, including the merger, and resolved to recommend the adoption of the merger agreement by Pinnacle s stockholders and that the adoption of the merger agreement be submitted to a vote at a meeting of Pinnacle s stockholders.

Accordingly, the Pinnacle board recommends that you vote FOR the merger agreement proposal; FOR the compensation proposal; and FOR the proposal to adjourn the special meeting of Pinnacle stockholders, if necessary or appropriate, to solicit additional proxies in favor of the merger agreement proposal if there are not sufficient votes at the time of such adjournment to adopt the merger agreement (the Pinnacle adjournment proposal).

Q: Will the GLPI common stock received at the time of completion of the merger be traded on an exchange?

A: Yes. It is a condition to the consummation of the merger that the shares of GLPI common stock to be issued to Pinnacle stockholders in connection with the merger be authorized for listing on NASDAQ, subject to official notice of issuance.

Q: Will the shares of OpCo common stock be traded on an exchange?

A: Immediately following the distribution, OpCo will be a new publicly traded company 100% owned by Pinnacle stockholders of record as of the date for the distribution. Pinnacle will cause the OpCo common stock to be distributed in the distribution to be approved for listing on NASDAQ prior to the consummation of the distribution.

Table of Contents

Q: How will GLPI shareholders be affected by the merger?

A: Upon completion of the merger, each GLPI shareholder will hold the same number of shares of GLPI common stock that such shareholder held immediately prior to completion of the merger. As a result of the merger, GLPI shareholders will own shares in a larger company with more assets. However, because in connection with the merger, GLPI will be issuing additional shares of GLPI common stock to Pinnacle stockholders in exchange for their shares of Pinnacle common stock, each outstanding share of GLPI common stock immediately prior to the merger will represent a smaller percentage of the aggregate number of shares of GLPI common stock outstanding after the merger.

Q: What are the U.S. federal income tax consequences of the merger?

A: The obligation of the parties to consummate the merger is subject to the receipt by GLPI and Pinnacle of the opinions of their respective counsel to the effect that, on the basis of the facts, representations, assumptions and exclusions set forth in such opinions which are consistent with the state of facts existing as of the closing date, the merger will qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code). If the merger so qualifies, then a Pinnacle stockholder generally will not recognize any gain or loss as a result of the merger (other than gain or loss with respect to cash received in lieu of a fractional share, if any).

The particular consequences of the merger to each Pinnacle stockholder depend on such holder s particular facts and circumstances. Pinnacle stockholders are urged to consult their tax advisors to understand fully the consequences to them of the merger in their specific circumstances. A more detailed discussion of the U.S. federal income tax considerations relevant to the merger can be found in the section entitled The Merger U.S. Federal Income Tax Considerations Relating to the Merger.

Q: When do GLPI and Pinnacle expect to complete the merger?

A: GLPI and Pinnacle currently expect to complete the merger in the first calendar quarter of 2016. However, neither GLPI nor Pinnacle can predict the actual date on which the merger will be completed, nor can the parties assure that the merger will be completed, because completion is subject to conditions beyond either company s control. See the sections entitled The Merger Regulatory Approvals and The Merger Agreement Conditions to Completion of the Merger.

Q: What happens if the merger is not completed?

A: If the merger agreement is not adopted by Pinnacle s stockholders, the share issuance is not approved by GLPI s shareholders or if the merger is not completed for any other reason, Pinnacle s stockholders will not receive any payment for their shares of common stock and OpCo will not be spun off into an independently traded public company. Instead, Pinnacle will remain an independent public company, Pinnacle common stock will continue to be listed and traded on NASDAQ and registered under the Exchange Act and Pinnacle will continue to file periodic reports with the SEC on account of Pinnacle s common stock.

Under specified circumstances, Pinnacle and/or GLPI may be required to reimburse each party s expenses or pay a termination fee, upon termination of the merger agreement, as described under The Merger Agreement Expenses and Termination Fees Relating to the Termination of the Merger Agreement.

Q: When and where is the special meeting of the GLPI shareholders?

A: The special meeting of GLPI (the GLPI special meeting) will be held on [ ], 2016, beginning at 10 a.m., local time, at the offices of Kozloff Stoudt, 2640 Westview Drive, Wyomissing, Pennsylvania 19610.

Table of Contents

Q: When and where is the special meeting of the Pinnacle stockholders?

A: The special meeting of Pinnacle (the Pinnacle special meeting) will be held on [ ], 2016, beginning at 10 a.m., local time, at L Auberge Casino & Hotel Baton Rouge, 777 L Auberge Avenue, Baton Rouge, Louisiana 70820.

Q: Who can vote at the special meetings?

A: All GLPI shareholders of record at the close of business on February 8, 2016, the record date for the GLPI special meeting, are entitled to receive notice of and to vote at the special meeting.

All Pinnacle stockholders of record at the close of business on February 8, 2016, the record date for the Pinnacle special meeting, are entitled to receive notice of and to vote at the special meeting.

Q: What do I need to do now?

A: After you have carefully read and considered the information contained or incorporated by reference into this joint proxy statement/prospectus, please submit your proxy via the Internet or by telephone in accordance with the instructions set forth on the enclosed proxy card, or complete, sign, date and return the enclosed proxy card in the postage-prepaid envelope provided as soon as possible so that your shares will be represented and voted at the GLPI special meeting or the Pinnacle special meeting, as applicable.

Additional information on voting procedures can be found under the section titled GLPI Special Meeting and under the section titled Pinnacle Special Meeting.

Q: How will my proxy be voted?

A: If you submit your proxy via the Internet, by telephone or by completing, signing, dating and returning the enclosed proxy card, your proxy will be voted in accordance with your instructions.

Additional information on voting procedures can be found under the section titled GLPI Special Meeting and under the section titled Pinnacle Special Meeting.

Q: Who will count the votes?

A: The votes at the GLPI special meeting and the Pinnacle special meeting will be counted by an independent inspector or judge of election appointed for each special meeting.

Q: May I vote in person?

A: Yes. If you are a shareholder of record of GLPI at the close of business on February 8, 2016 or a stockholder of record of Pinnacle at the close of business on February 8, 2016, you may attend your special meeting and vote your shares in person, in lieu of submitting your proxy by Internet, telephone or by completing, signing, dating and returning the enclosed proxy card.

Q: What must I bring to attend my special meeting?

A: Only GLPI s shareholders of record, or Pinnacle s stockholders of record, as of the applicable record date, beneficial owners of GLPI common stock or Pinnacle common stock as of the applicable record date, holders of valid proxies for the GLPI special meeting or Pinnacle special meeting, and invited guests of GLPI or Pinnacle may attend the applicable special meeting. All attendees should be prepared to present government-issued photo identification (such as a driver s license or passport) for admittance. The additional items, if any, that attendees must bring depend on whether they are shareholders or stockholders of record, beneficial owners or proxy holders.

Additional information on attending the special meetings can be found under the section titled GLPI Special Meeting and under the section titled Pinnacle Special Meeting.

Table of Contents

Q: What should I do if I receive more than one set of voting materials for the GLPI special meeting or the Pinnacle special meeting?

A: You may receive more than one set of voting materials for the GLPI special meeting or the Pinnacle special meeting or both, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold your GLPI common stock or Pinnacle common stock in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a holder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please submit each separate proxy or voting instruction card that you receive by following the instructions set forth in each separate proxy or voting instruction card.

Q: What s the difference between holding shares as a shareholder of record and as a beneficial owner?

A: If your shares of GLPI common stock or Pinnacle common stock are registered directly in your name with GLPI s transfer agent, Continental Stock Transfer & Trust, or Pinnacle s transfer agent, American Stock Transfer & Trust Company, LLC, you are considered, with respect to those shares, to be the shareholder of record, in the case of GLPI, or the stockholder of record, in the case of Pinnacle. If you are a shareholder or stockholder of record, then this joint proxy statement/prospectus and your proxy card have been sent directly to you by GLPI or Pinnacle, as applicable.

If your shares of GLPI common stock or Pinnacle common stock are held through a bank, broker or other nominee, you are considered the beneficial owner of the shares of GLPI common stock or Pinnacle common stock held in street name. In that case, this joint proxy statement/prospectus has been forwarded to you by your bank, broker or other nominee who is considered, with respect to those shares, to be the shareholder of record. As the beneficial owner, you have the right to direct your bank, broker or other nominee how to vote your shares by following their instructions for voting. You are also invited to attend the special meeting. However, because you are not the shareholder of record, you may not vote your shares in person at the special meeting unless you request and obtain a valid proxy from your bank, broker or nominee.

Q: If my shares are held in street name by my broker, bank or other nominee, will my broker, bank or other nominee automatically vote my shares for me?

A: No. If your shares are held in the name of a broker, bank or other nominee, you will receive separate instructions from your broker, bank or other nominee describing how to vote your shares. The availability of Internet or telephonic voting will depend on the nominee s voting process. Please check with your broker, bank or other nominee and follow the voting procedures your broker, bank or other nominee provides.

You should instruct your broker, bank or other nominee how to vote your shares. Under the rules applicable to broker-dealers, your broker, bank or other nominee does not have discretionary authority to vote your shares on any of the proposals scheduled to be voted on at the GLPI special meeting or the Pinnacle special meeting. With respect to the merger agreement proposal, a broker non-vote will have the same effect as a vote against the adoption of that proposal.

Additional information on voting procedures can be found under the section titled GLPI Special Meeting and under the section titled Pinnacle Special Meeting.

Q: What do I do if I am a GLPI shareholder and I want to revoke my proxy?

A: Shareholders of record may revoke their proxies at any time before their shares are voted at the GLPI special meeting in any of the following ways:

sending a written notice of revocation to GLPI at 845 Berkshire Boulevard, Suite 200, Wyomissing, Pennsylvania 19610, Attention: Secretary, which must be received before their shares are voted at the special meeting;

Table of Contents

properly submitting a later-dated, new proxy card, which must be received before their shares are voted at the special meeting (in which case only the later-dated proxy is counted and the earlier proxy is revoked);

submitting a proxy via Internet or by telephone at a later date (in which case only the later-dated proxy is counted and the earlier proxy is revoked); or

attending the GLPI special meeting and voting in person. Attendance at the special meeting will not, however, in and of itself, constitute a vote or revocation of a prior proxy.

Beneficial owners of GLPI common stock may change their voting instruction only by submitting new voting instructions to the brokers, banks or other nominees that hold their shares of record.

Additional information can be found under the section titled GLPI Special Meeting.

Q: What do I do if I am a Pinnacle stockholder and I want to revoke my proxy?

A: Stockholders of record may revoke their proxies at any time before their shares are voted at the Pinnacle special meeting in any of the following ways:

sending a written notice of revocation to Pinnacle at 3980 Howard Hughes Parkway, Las Vegas, Nevada 89169, Attention: John A. Godfrey, General Counsel, which must be received before their shares are voted at the special meeting;

properly submitting a later-dated, new proxy card, which must be received before their shares are voted at the special meeting (in which case only the later-dated proxy is counted and the earlier proxy is revoked);

submitting a proxy via Internet or by telephone at a later date (in which case only the later-dated proxy is counted and the earlier proxy is revoked); or

attending the Pinnacle special meeting and voting in person. Attendance at the special meeting will not, however, in and of itself, constitute a vote or revocation of a prior proxy.

Beneficial owners of Pinnacle common stock may change their voting instruction only by submitting new voting instructions to the brokers, banks or other nominees that hold their shares of record.

Additional information can be found under the section entitled Pinnacle Special Meeting.

Q: Should I send in my Pinnacle stock certificates now?

A: No. After the merger is completed, if you held certificates representing shares of Pinnacle common stock prior to the merger, GLPI s exchange agent will send you a letter of transmittal and instructions for exchanging your shares of Pinnacle common stock for the merger consideration. Upon surrender of the certificates for cancellation along with the executed letter of transmittal and other required documents described in the instructions, a Pinnacle stockholder will receive the merger consideration. The shares of GLPI common stock you receive in the merger will be issued in book-entry form. You will automatically receive your pro rata share of OpCo stock.

Q: What happens if I sell or otherwise transfer my shares of Pinnacle common stock before the special meeting?

A: The record date for shareholders entitled to vote at the Pinnacle special meeting is February 8, 2016, which is earlier than the date of the special meeting. If you sell or otherwise transfer your shares after the record date but before the special meeting, unless special arrangements (such as provision of a proxy) are made between you and the person to whom you transfer your shares and each of you notifies us in writing of such

Table of Contents

special arrangements, you will retain your right to vote such shares at the special meeting but will otherwise transfer ownership of your shares of Pinnacle common stock.

Q: What happens if I sell or otherwise transfer my shares of Pinnacle common stock before the completion of the merger?

A: Only holders of shares of Pinnacle common stock at the effective time of the merger will become entitled to receive the merger consideration. If you sell your shares of Pinnacle common stock prior to the completion of the merger, you will not become entitled to receive the merger consideration by virtue of the merger.

Additionally, prior to the completion of the merger, Pinnacle will set a record date and a distribution date for the distribution of OpCo stock in connection with the spin-off. Pinnacle expects such distribution date to be the same date as the date that the merger is completed. Only holders of shares of Pinnacle common stock as of such record date will become entitled to receive shares of OpCo in the spin-off. If you sell your shares of Pinnacle common stock prior to the record date to the distribution for the spin-off, you will also be selling your entitlement to receive shares of OpCo stock.

Q: Do any of the officers or directors of Pinnacle have interests in the merger that may differ from or be in addition to my interests as a Pinnacle stockholder?

A: In considering the recommendation of the Pinnacle board that Pinnacle stockholders vote to adopt the merger agreement proposal, to approve the compensation proposal and to approve the Pinnacle adjournment proposal, Pinnacle stockholders should be aware that some of Pinnacle s directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of Pinnacle stockholders generally. The Pinnacle board was aware of and considered these potential interests, among other matters, in evaluating and negotiating the merger agreement and the transactions contemplated therein, in approving the merger and in recommending the adoption of the merger and the approval of the adjournment proposal and the compensation proposal.

For more information and quantification of these interests, please see The Merger Interests of Certain Pinnacle Persons in the Merger.

Q: Why is the separation important and consummation of the spin-off a condition to the closing of the merger?

A: Under the terms of the merger agreement, Pinnacle will merge with and into Merger Sub, with Merger Sub surviving the merger as a wholly owned subsidiary of GLPI following which GLPI will own substantially all of Pinnacle s real property assets, excluding Pinnacle s Belterra Park property and excess land at certain locations. In order to effect this acquisition, the real property assets of Pinnacle (except the Belterra Park property and excess land at certain locations) will be separated from its operations and transferred to OpCo so that, at the effective time of the merger, Pinnacle only owns the real estate assets that GLPI has agreed to acquire. Accordingly, the separation of Pinnacle s real property is an important step in the transactions agreed to by the parties and the consummation of the spin-off is a condition to the closing of the merger. For additional information regarding the spin-off, please see PNK Entertainment, Inc. s Form 10 filed with the SEC (File No. 001-37666).

Q: Where can I find voting results of the special meeting?

A: Pinnacle and GLPI intend to announce their respective preliminary voting results at each of the Pinnacle and GLPI special meetings and publish the final results in a Current Report on Form 8-K that will be filed with the SEC following the special meetings. All reports that Pinnacle and GLPI file with the SEC are publicly available when filed. See the section titled Where You Can Find More Information.

Table of Contents

Q: Do Pinnacle stockholders or GLPI shareholders have appraisal or dissenters rights?

A: No. Under the laws of the State of Delaware, Pinnacle stockholders do not have appraisal or dissenters rights in connection with the merger. Under the laws of the Commonwealth of Pennsylvania, GLPI shareholders do not have appraisal or dissenters rights in connection with the share issuance proposal. For further information relating to appraisal/dissenters rights, see the section in this joint proxy statement/prospectus titled The Merger No Appraisal Dissenters Rights.

Q: How can I find more information about GLPI and Pinnacle?

A: You can find more information about GLPI and Pinnacle from various sources described in the section titled Where You Can Find More Information. You can find more information regarding the spin-off by reading PNK Entertainment, Inc. s Form 10 filed with the SEC (File No. 001-37666).

Q: Who can answer any questions I may have about the special meeting or the merger?

A: If you have any questions about the merger or GLPI share issuance, or how to submit your proxy, or if you need additional copies of this joint proxy statement/prospectus or documents incorporated by reference herein, the enclosed proxy card or voting instructions, you should contact:

For Pinnacle stockholders:	For GLPI shareholders:
Pinnacle Entertainment, Inc.	Gaming and Leisure Properties, Inc.
3980 Howard Hughes Parkway	845 Berkshire Boulevard, Suite 200
Las Vegas, Nevada 89169	Wyomissing, Pennsylvania 19610
(702) 541-7777	(610) 401-2900
Attention: Investor Relations	Attention: Investor Relations
D.F. King & Co., Inc.	MacKenzie Partners, Inc.
48 Wall Street 22nd Floor	105 Madison Avenue
New York, NY 10005	New York, NY 10016
(800) 697-6975 (toll free)	(800) 322-2885 (toll free)
(212) 269-5550 (collect)	(212) 929-5500 (collect)

9

Table of Contents

SUMMARY

The following summary highlights selected information described in more detail elsewhere in this joint proxy statement/prospectus and the documents incorporated by reference into this joint proxy statement/prospectus and may not contain all the information that may be important to you. To understand the merger and the matters being voted on by Pinnacle stockholders and GLPI shareholders at their respective special meetings more fully, and to obtain a more complete description of the legal terms of the merger agreement and the agreements related thereto, you should carefully read this entire document, including the annexes, and the documents to which GLPI and Pinnacle refer you. Each item in this summary includes a page reference directing you to a more complete description of that topic. See Where You Can Find More Information.

The Parties (see pages 47 and 48)

Gaming and Leisure Properties, Inc.

On November 15, 2012, Penn National Gaming, Inc. (Penn) announced that it intended to pursue a plan to separate the majority of its operating assets and real property assets into two publicly traded companies including an operating entity, and, through a tax-free spin-off of its real estate assets to holders of its common and preferred stock, a newly formed publicly traded real estate investment trust (a REIT), GLPI (the Penn spin-off). In connection with the Penn spin-off, which was completed on November 1, 2013, Penn contributed to GLPI, through a series of internal corporate restructurings, substantially all of the assets and liabilities associated with Penn s real property interests and real estate development business, as well as the assets and liabilities of Hollywood Casino Baton Rouge and Hollywood Casino Perryville (the TRS properties) in a tax-free distribution. As a result of the Penn spin-off, GLPI acquired substantially all of Penn s former real property assets and leased back most of those assets to Penn for use by its subsidiaries, pursuant to a triple-net master lease (the Penn master lease).

Following the Penn spin-off, GLPI became a self-administered and self-managed Pennsylvania REIT. GLPI s primary business consists of acquiring, financing, and owning real estate property to be leased to gaming operators in triple-net lease arrangements. As of the date of this joint proxy statement/prospectus, GLPI s portfolio consisted of 21 gaming and related facilities including the TRS properties, which GLPI operates through an indirect wholly owned subsidiary and the real property associated with 18 gaming and related facilities operated by Penn under the Penn master lease and the real property associated with the Casino Queen in East St. Louis, Illinois. These facilities are geographically diversified across 12 states and contain approximately 7.0 million of rentable square feet. The principal executive offices of GLPI are located at 845 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania and its telephone number is (610) 401-2900.

Gold Merger Sub, LLC

Merger Sub is a direct, wholly owned subsidiary of GLPI. Merger Sub was formed by GLPI solely in contemplation of the merger, has not conducted any business and has no assets, liabilities or other obligations of any nature other than as set forth in the merger agreement. Its principal executive offices are located at c/o Gaming and Leisure Properties, Inc., 845 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania and its telephone number is (610) 401-2900.

Pinnacle Entertainment, Inc.

Pinnacle is an owner, operator and developer of casinos, a racetrack and related hospitality and entertainment facilities. Pinnacle owns and operates 15 gaming properties in Colorado, Indiana, Iowa, Louisiana, Missouri,

Mississippi, Nevada and Ohio, fourteen of which will be subject to the master lease (as defined below). Pinnacle also holds a majority interest in the racing license owner, and is a party to a management contract, for Retama Park Racetrack located outside of San Antonio, Texas. In addition to these properties, Pinnacle owns and operates a live and televised poker tournament series under the trade name Heartland Poker Tour.

Pinnacle s mission is to increase stockholder value. Pinnacle seeks to increase revenues through enhancing the guest experience by providing its guests with their favorite games, restaurants, hotel accommodations, entertainment and other amenities in attractive surroundings with high-quality guest service and guest rewards programs. Pinnacle seeks to improve profit by focusing on operational excellence and efficiency while meeting its guests expectations of value and reducing its leverage. Pinnacle s long-term strategy includes disciplined capital expenditures to improve and maintain its existing properties, while growing the number and quality of its facilities by pursuing gaming entertainment opportunities it can improve, develop, or acquire. In making decisions, Pinnacle considers its stockholders, guests, team members and other constituents in the communities in which it operates. The principal executive offices of Pinnacle are located at 3980 Howard Hughes Parkway, Las Vegas, Nevada 89169, and its telephone number is (702) 541-7777.

PNK Entertainment, Inc.

PNK Entertainment, Inc. (referred to previously in this joint proxy statement/prospectus as OpCo) is a Delaware corporation and a direct, wholly owned subsidiary of Pinnacle, formed on July 23, 2015 for the purpose of effecting the spin-off of Pinnacle s operations and certain real estate assets into an independent publicly traded company. Immediately following the closing of the merger, OpCo will be renamed Pinnacle Entertainment, Inc. The principal executive offices of OpCo will be located at 3980 Howard Hughes Parkway, Las Vegas, Nevada 89169, and its telephone number is (702) 541-7777.

GLPI Special Meeting (see page 49)

Date, Time and Place. The GLPI special meeting will be held on [ ], 2016, at the offices of Kozloff Stoudt, 2640 Westview Drive, Wyomissing, Pennsylvania 19610, at 10 a.m. local time.

Purpose. The special meeting of GLPI shareholders is being held to consider and vote on the following proposals:

> ***Proposal 1***. To approve the issuance of shares of GLPI common stock to Pinnacle stockholders in connection with the merger agreement (referred to previously in this joint proxy/statement prospectus as the share issuance proposal).

> ***Proposal 2***. To approve the adjournment of the GLPI special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance proposal (referred to previously in this joint proxy/statement as the GLPI adjournment proposal).

Record Date; Voting Rights. The record date for the determination of shareholders entitled to notice of and to vote at the GLPI special meeting is the close of business on February 8, 2016. Only GLPI shareholders who held shares at the close of business on February 8, 2016 are entitled to vote at the special meeting and any adjournment or postponement of the special meeting. Each share of GLPI common stock entitles its holder of record to one vote at the GLPI special meeting.

Vote Required.

Proposal 1. The affirmative vote, in person or by proxy, of a majority of the votes cast on the share issuance proposal by the holders of shares of GLPI common stock entitled to vote at the GLPI special meeting is required to approve the share issuance proposal.

Table of Contents

Proposal 2. The affirmative vote, in person or by proxy, of a majority of the votes cast on the GLPI adjournment proposal by the holders of shares of GLPI common stock entitled to vote at the GLPI special meeting is required to approve the GLPI adjournment proposal.

As of the record date, there were 117,265,314 shares of GLPI common stock outstanding, held by 521 holders of record (in each case, including restricted shares entitled to vote). In addition, as of the record date, GLPI directors and executive officers, as a group, owned and were entitled to vote 22,519,697 shares of GLPI common stock, or approximately 19.2% of the outstanding shares of GLPI common stock.

Pinnacle Special Meeting (see page 54)

Date, Time and Place. The Pinnacle special meeting will be held on [ ], 2016, beginning at 10 a.m., local time, at L Auberge Casino & Hotel Baton Rouge, 777 L Auberge Avenue, Baton Rouge, Louisiana 70820.

Purpose. The special meeting of Pinnacle stockholders is being held to consider and vote on the following proposals:

Proposal 1. To adopt the merger agreement pursuant to which each outstanding share of Pinnacle common stock will be converted into the right to receive 0.85 of a share of GLPI common stock (referred to previously in this joint proxy statement/prospectus as the merger agreement proposal).

Proposal 2. To approve, on a non-binding advisory basis, the compensation to be paid to Pinnacle s named executive officers that is based on or otherwise relates to the merger (referred to previously in this joint proxy statement/prospectus as the compensation proposal), discussed under the heading The Merger Interests of Certain Pinnacle Persons in the Merger.

Proposal 3. To vote to adjourn the Pinnacle special meeting, if necessary or appropriate, in the view of the Pinnacle board of directors, to solicit additional proxies in favor of the merger agreement proposal if there are not sufficient votes at the time of such adjournment to adopt the merger agreement (referred to previously in this joint proxy statement/prospectus as the Pinnacle adjournment proposal).

Record Date; Voting Rights. The record date for the determination of stockholders entitled to notice of and to vote at the Pinnacle special meeting is the close of business on February 8, 2016. Only Pinnacle stockholders who held shares of record at the close of business on February 8, 2016 are entitled to vote at the special meeting and any adjournment or postponement of the special meeting, so long as such shares remain outstanding on the date of the special meeting. Each share of Pinnacle common stock entitles its holder of record to one vote at the Pinnacle special meeting.

Quorum. In order for business to be conducted at the special meeting, a quorum must be present. A quorum requires the presence, in person or by proxy, of holders of a majority of voting power of all the shares of stock entitled to vote at the meeting, present in person or by proxy. For purposes of determining whether there is a quorum, all shares that are present and entitled to vote will count towards the quorum, which includes abstentions broker non-votes (only when accompanied by broker votes with respect to at least one matter at the meeting). Broker non-votes occur when a beneficial owner holding shares in street name does not instruct the broker, bank or other nominee that is the record owner of such stockholder s shares on how to vote those shares on a particular proposal.

Vote Required. The votes required for each proposal are as follows:

Proposal 1. The affirmative vote of at least a majority of the outstanding shares of Pinnacle common stock.

Proposal 2. The affirmative vote, in person or by proxy, of a majority of the votes cast on the compensation proposal by the holders of shares of Pinnacle common stock is required to approve the proposal.

Proposal 3. The affirmative vote, in person or by proxy, of a majority of the votes cast on the Pinnacle adjournment proposal by the holders of shares of Pinnacle common stock is required to approve the proposal.

As of the record date, there were 61,074,913 shares of Pinnacle common stock outstanding, held by 1,796 holders of record. In addition, as of the record date, Pinnacle directors and executive officers, as a group, owned and were entitled to vote 1,277,449 shares of Pinnacle common stock, or approximately 2.1% of the outstanding shares of Pinnacle common stock. Pinnacle currently expects that these directors and executive officers will vote their shares in favor of the proposal to adopt the merger agreement, although none of them has entered into any agreement obligating them to do so.

The Merger (see page 60)

Pinnacle, GLPI and Merger Sub have entered into a merger agreement, pursuant to which GLPI will acquire substantially all of Pinnacle s real property assets. Prior to the merger, Pinnacle will cause certain assets relating to its operating business to be transferred to, and liabilities relating thereto to be assumed by OpCo. Immediately following the separation, Pinnacle will distribute to Pinnacle s stockholders all of the issued and outstanding shares of common stock of OpCo, a newly formed wholly owned subsidiary of Pinnacle, owning Pinnacle s operating assets and certain other specified assets. Then, upon satisfaction or waiver of the conditions to closing in the merger agreement on the closing date, Pinnacle will merge with and into Merger Sub, a wholly owned subsidiary of GLPI formed for the purpose of effecting the merger. Merger Sub will be the surviving company in the merger and will then own substantially all of Pinnacle s real estate assets that were retained or transferred to Pinnacle in the separation. At the effective time of the merger, each share of Pinnacle common stock issued and outstanding immediately prior to the effective time of the merger will be converted into 0.85 shares of a share of GLPI common stock, with cash paid in lieu of the issuance of fractional shares of GLPI common stock. In addition, Pinnacle will take all actions as may be necessary so that at the effective time of the merger, each Pinnacle stock option, restricted stock unit (including phantom stock unit awards, restricted stock unit awards, other stock unit awards, performance share grants, director other stock unit awards, deferred shares and any other similar instruments) and cash performance unit will be treated as described in The Merger Interests of Certain Pinnacle Persons in the Merger.

Forms of Agreements to be Entered into Prior to the Closing of the Merger (see page 153)

The merger agreement attaches forms of certain additional agreements to be entered into prior to the closing of the merger to effect the separation of Pinnacle s real estate assets (except the Belterra Park property and excess land at certain locations) from its operations, including the master lease agreement (the master lease), the separation and distribution agreement (the separation agreement) and the employee matters agreement (the employee matters agreement). A tax matters agreement has been entered into as of the date of the execution of the merger agreement and is also attached as an exhibit to the merger agreement (the tax matters agreement, together with the master lease, separation agreement, employee matters agreement and the merger agreement, the transaction documents). A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. GLPI and Pinnacle encourage you to read the entire merger agreement, including the exhibits thereto, carefully, because it is the principal document governing the merger.

13

Table of Contents

Separation and Distribution Agreement (see page 157)

The separation agreement that will be entered into at or prior to closing of the merger, which is attached to the merger agreement in Annex A as Exhibit C thereto, identifies assets to be transferred, liabilities to be assumed and contracts to be assigned to or retained by Pinnacle (which, following completion of the merger, is referred to in this joint proxy statement/prospectus as PropCo) as part of the separation of Pinnacle s real property assets (except the Belterra Park property and excess land at certain locations) from its operations, which will be retained by or transferred to OpCo, and it will provide for when and how these transfers, assumptions and assignments will occur.

The separation agreement will provide that each holder of Pinnacle common stock will receive one share of OpCo common stock for each share of Pinnacle common stock held by such stockholder as of the record date of the distribution (referred to previously as the distribution). For additional information regarding the distribution, please see PNK Entertainment, Inc. s Form 10 filed with the SEC (File No. 001-37666). Following the distribution, Pinnacle s stockholders will collectively hold 100% of OpCo.

The separation agreement will also provide that at the time of distribution, OpCo shall pay to PropCo an amount equal to the amount of existing Pinnacle debt at the time of the spin-off, less $2.7 billion of debt assumed by GLPI (subject to adjustment, the OpCo Cash Payment), which will be used by PropCo to pay off a portion of Pinnacle s existing indebtedness, substantially concurrently with the consummation of the distribution and the merger, subject to certain adjustments.

The separation agreement will provide that the distribution is subject to the satisfaction of certain conditions:

- each of the conditions to the merger agreement has been fulfilled or waived (other than those conditions that by their nature can only be satisfied at the closing of the merger agreement) and GLPI has confirmed to Pinnacle in writing that it is prepared to consummate the merger, subject only to the distribution;

- each of the transaction documents contemplated by the merger agreement and the separation agreement having been duly executed and delivered by the parties thereto;

- the plan of reorganization to effectuate the separation having been substantially completed in accordance with the plan of reorganization;

- the Form 10 filed with the SEC (File No. 001-37666) in connection with the separation has been declared effective by the SEC and no stop order suspending the effectiveness of the Form 10 shall be in effect, no proceedings for such purpose shall be pending before or threatened by the SEC, and the information statement shall have been mailed to holders of Pinnacle common stock as of the record date of the distribution;

- prior to the date of the distribution, such registration statements on Form S-8 as are necessary to register the equity awards of OpCo held by or made available to directors and employees of OpCo has been filed with the SEC;

all actions and filings with respect to the OpCo common stock necessary under applicable federal, state or foreign securities or blue sky laws and the rules and regulations thereunder having been taken and, where applicable, become effective or been accepted;

OpCo will have obtained an opinion from a nationally-recognized valuation or accounting firm or investment bank, as to the adequacy of surplus under the laws of the State of Delaware to effect the distribution and the OpCo Cash Payment, and as to the solvency of OpCo and PropCo after giving effect to the distribution and the OpCo Cash Payment in a form reasonably satisfactory to OpCo and PropCo;

the OpCo common stock to be delivered in the distribution has been accepted for listing on a national securities exchange, subject to compliance with applicable listing requirements; and

no injunction by any court or other tribunal of competent jurisdiction has been entered and continue to be in effect and no law has been adopted or be effective preventing consummation of the distribution or any of the transactions contemplated by the merger agreement.

GLPI and Pinnacle encourage you to read the separation agreement carefully because it is the principal document governing the spin-off and forms a critical part of the transactions.

Master Lease (see page 153)

Immediately prior to the closing of the merger, Pinnacle MLS, LLC, one of Pinnacle s wholly owned subsidiaries (Tenant), will enter into a triple-net master lease with Pinnacle (Landlord) and lease from Landlord real property assets associated with fourteen (14) of Pinnacle s gaming facilities (the facilities). Immediately upon closing of the merger, a subsidiary of GLPI will become successor by merger to Landlord. The obligations of the Tenant under the master lease will be guaranteed by OpCo and all subsidiaries of Tenant that will operate the facilities leased under the master lease, or that own a gaming license, other license or other material asset or permit necessary to operate any portion of the facilities. A default by Tenant with regard to any facility will cause a default with regard to the entire portfolio.

The master lease will provide for an initial term of ten years with no purchase option. At Tenant s option, the master lease may be extended for up to five five-year renewal terms beyond the initial ten-year term, on the same terms and conditions. If Tenant elects to renew the term of the master lease, the renewal will be effective as to all, but not less than all, of the leased property then subject to the master lease.

The master lease is commonly known as a triple-net lease. Accordingly, in addition to rent, the Tenant will be required to pay the following: (1) all facility maintenance, (2) all insurance required in connection with the leased properties and the business conducted on the leased properties, (3) taxes levied on or with respect to the leased properties (other than taxes on the income of the Landlord) and (4) all utilities and other services necessary or appropriate for the leased properties and the business conducted on the leased properties. Under the master lease, the initial annual aggregate rent payable by Tenant will be $377 million.

GLPI and Pinnacle encourage you to read the master lease carefully because it is the principal document governing the relationship between OpCo and GLPI following the merger.

Employee Matters Agreement (see page 161)

The employee matters agreement, a form of which is attached to the merger agreement as Exhibit A thereto, will generally allocate liabilities and responsibilities relating to employee compensation and benefit plans and programs. The Employee Matters Agreement, in conjunction with the merger agreement, will provide for the treatment of Pinnacle s outstanding equity awards in connection with the spin-off (as described more fully below in The Merger Treatment of Pinnacle Long-Term Incentive Compensation). In addition, the Employee Matters Agreement will set forth the general principles relating to employee matters, including with respect to the assignment of employees and the transfer of employees from Pinnacle to OpCo, the assumption and retention of liabilities and related assets, workers compensation, labor relations, and related matters.

The Employee Matters Agreement, in conjunction with the merger agreement, will provide that all Pinnacle employees will be transferred to OpCo prior to the separation and distribution. Except with regard to Pinnacle s outstanding long-term incentive awards (as described more fully below in The Merger Treatment of

15

Table of Contents

Pinnacle Long-Term Incentive Compensation), OpCo will assume responsibility for, and will pay and be liable for, all wages, salaries, welfare, incentive compensation and employment-related liabilities, and will assume all compensation and employment-related plans and agreements, with respect to each of the employees and directors. Except with regard to certain of Pinnacle s outstanding long-term incentive awards, which will be adjusted and settled in connection with the merger as described more fully below in The Merger Treatment of Pinnacle Long-Term Incentive Compensation, prior to the separation, Pinnacle will transfer all of the assets, if any, and liabilities relating to the compensation and benefit plans and agreements to OpCo.

GLPI and Pinnacle encourage you to read the Employees Matters Agreement carefully.

Tax Matters Agreement (see page 161)

The tax matters agreement, a copy of which is attached to the merger agreement as Exhibit D thereto, will govern OpCo s and GLPI s respective rights, responsibilities and obligations with respect to taxes (including taxes arising in the ordinary course of business and taxes incurred as a result of the spin-off), tax attributes, tax returns, tax contests and certain other tax matters.

Under the tax matters agreement, OpCo will generally be liable for taxes of Pinnacle relating to time periods before the effective time of the merger. GLPI, however, will be liable for taxes of Pinnacle arising as a result of the merger, the spin-off and certain related transactions. GLPI s liability in this regard will be limited by certain assumptions relating to Pinnacle s tax attributes and projected taxable income, with OpCo bearing liability to the extent additional taxes may result from an inaccuracy in such assumptions. OpCo and GLPI have also agreed to share liability for certain taxes relating to the assets to be acquired by GLPI. GLPI will bear liability for any transfer taxes incurred on the merger, the spin-off and certain related transactions.

The tax matters agreement provides that OpCo will generally prepare and file any tax returns for tax periods of Pinnacle ending on or prior to the effective time of the merger and will control any tax contests related to such tax returns, subject to certain review, participation and consent rights of GLPI.

GLPI and Pinnacle encourage you to read the tax matters agreement carefully.

Recommendation of GLPI s Board of Directors and Reasons for the Merger (see page 74)

GLPI s board of directors recommends that GLPI shareholders vote FOR the share issuance proposal and FOR the GLPI adjournment proposal.

In the course of reaching its decision to approve the merger agreement and the transactions contemplated by the merger agreement and the other transaction documents, including the share issuance proposal, GLPI s board of directors considered a number of factors in its deliberations. For a more complete discussion of these factors, see The Merger Recommendation of GLPI s Board of Directors and Reasons for the Merger.

Recommendation of Pinnacle s Board of Directors and Reasons for the Merger (see page 76)

Pinnacle s board of directors recommends that Pinnacle stockholders vote FOR the merger agreement proposal, FOR the compensation proposal and FOR the Pinnacle adjournment proposal.

In the course of reaching its decision to approve the merger agreement and the transactions contemplated by the merger agreement and the other transaction documents, including the spin-off and merger, Pinnacle s board of directors considered a number of factors in its deliberations. For a more complete discussion of these factors, see The Merger Recommendation of Pinnacle s Board of Directors and Reasons for the Merger.

Table of Contents

Opinion of GLPI s Financial Advisor (see page 86)

In connection with the transactions (including the merger, the share issuance and the spin-off), at a meeting of the GLPI board of directors on July 19, 2015, GLPI s financial advisor, Morgan Stanley & Co. LLC (Morgan Stanley), rendered its oral opinion to the GLPI board of directors, subsequently confirmed by delivery of a written opinion dated July 20, 2015 that, as of that date, and based upon and subject to the various assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken as set forth in the written opinion, the exchange ratio pursuant to the merger agreement was fair from a financial point of view to GLPI.

The full text of the written opinion of Morgan Stanley to the GLPI board of directors, dated as of July 20, 2015, is attached to this joint proxy statement/prospectus as Annex B and is incorporated herein by reference in its entirety. The summary of the opinion of Morgan Stanley in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion. You should read Morgan Stanley s opinion, this section and the summary of Morgan Stanley s opinion carefully and in their entirety for a discussion of the assumptions made, procedures followed, matters considered and qualifications and limitations upon the review undertaken by Morgan Stanley in rendering its opinion. Morgan Stanley s opinion was directed to the GLPI board of directors, in its capacity as such, and addressed only the fairness from a financial point of view to GLPI of the exchange ratio pursuant to the merger agreement as of the date of such opinion and does not address any other aspect of the transactions contemplated by the transaction documents.

Morgan Stanley s opinion did not address any other aspects or implications of the transactions. It was not intended to, and does not, constitute advice or a recommendation to any holder of shares of GLPI common stock as to how to vote at the GLPI special meeting or whether to take any other action with respect to the transactions.

For further information, see the section of this joint proxy statement/prospectus entitled The Merger Opinion of GLPI s Financial Advisor and Annex B.

Opinion of Pinnacle s Financial Advisor (see page 95)

On July 20, 2015, at a meeting of the board of directors of Pinnacle, Goldman, Sachs & Co. (Goldman Sachs) rendered to the board of directors its oral opinion, subsequently confirmed in writing, to the effect that, as of July 20, 2015, based upon and subject to the factors and assumptions set forth in Goldman Sachs written opinion, the exchange ratio of 0.85 shares of GLPI common stock to be paid for each outstanding share of Pinnacle common stock pursuant to the merger agreement was fair from a financial point of view to the holders (other than GLPI and its affiliates) of shares of Pinnacle common stock.

The full text of the written opinion of Goldman Sachs, dated July 20, 2015, which sets forth the assumptions made, procedures followed, matters considered, qualifications and limitations on the review undertaken in connection with the opinion, is attached to this joint proxy statement/prospectus as Annex C. The summary of the Goldman Sachs opinion contained in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of Goldman Sachs written opinion. Goldman Sachs advisory services and opinion were provided for the information and assistance of the board of directors of Pinnacle in connection with its consideration of the proposed transaction and the opinion does not constitute a recommendation as to how any holder of Pinnacle common stock should vote with respect to the proposed transaction or any other matter.

For further information, see the section of this joint proxy statement/prospectus entitled The Merger Opinion of Pinnacle s Financial Advisor and Annex C.

Financing of the Transactions (see page 100)

Pinnacle

Pinnacle anticipates that the total amount of funds necessary for OpCo to pay the OpCo Cash Payment and to pay transaction fees and expenses will be approximately $975 million, which amount is subject to adjustment as further described in The Merger Agreement The Separation and Distribution Agreement. This amount will be funded through either (but not both) of (i) the Pinnacle Bridge Facility (defined below) or (ii) the Pinnacle Takeout Facilities (defined below), together with the proceeds from any Pinnacle Notes (defined below). Remaining amounts under the Bridge Revolving Credit Facility (defined below) or the Takeout Revolving Credit Facility (defined below), as applicable, will be used for general corporate purposes of OpCo, including, without limitation, permitted acquisitions or dividends.

To provide the debt financing required by Pinnacle to consummate the merger, Pinnacle has entered into:

(1) an amended and restated commitment letter, dated November 17, 2015 (the Pinnacle Bridge Commitment Letter) from JPMorgan Chase Bank, N.A., Bank of America, N.A., Goldman Sachs Bank USA, Fifth Third Bank, U.S. Bank National Association, Credit Agricole Corporate and Investment Bank, Deutsche Bank AG New York Branch, Wells Fargo Bank, National Association and certain of their affiliates (collectively, the Pinnacle Bridge Commitment Parties) pursuant to which Pinnacle has received commitments for an aggregate principal amount of $1.1 billion in financing, comprised of a $900 million senior secured 364-day term loan bridge facility (the Term Loan Bridge Facility) and a $200 million senior secured 364-day revolving credit facility (the Bridge Revolving Credit Facility and together with the Term Loan Bridge Facility, collectively, the Pinnacle Bridge Facility). The borrower under the Pinnacle Bridge Facility will be OpCo and the obligations of OpCo under the Pinnacle Bridge Facility will be guaranteed by each existing and subsequently acquired or formed direct and indirect domestic wholly-owned subsidiary of OpCo, subject to customary exceptions; and

(2) a commitment letter dated November 17, 2015 (the Pinnacle Takeout Commitment Letter) from JPMorgan Chase Bank, N.A., Bank of America, N.A., Goldman Sachs Bank USA, Fifth Third Bank, U.S. Bank National Association, Credit Agricole Corporate and Investment Bank, Deutsche Bank AG New York Branch, Wells Fargo Bank, National Association and certain of their affiliates (collectively, the Pinnacle Takeout Commitment Parties) pursuant to which Pinnacle has received commitments for an aggregate principal amount of $585 million in financing, comprised of a (i) $185 million senior secured term loan A facility (the Term Loan A Facility) and (ii) $400 million senior secured revolving credit facility (the Takeout Revolving Credit Facility , and together with the Term Loan A Facility, collectively, the Committed Takeout Facilities). The Pinnacle Takeout Commitment Parties have also agreed to use their commercially reasonable efforts to syndicate a $350 million senior secured term loan B facility, which may, at the election of OpCo, be increased or decreased by up to $125 million in connection with the issuance of senior unsecured notes to finance a portion of the transactions, as further described in the Pinnacle Takeout Commitment Letter (the Term Loan B Facility , and together with the Committed Takeout Facilities, collectively, the Pinnacle Takeout Facilities). The borrower under the Pinnacle Takeout Facilities will be OpCo and the obligations of OpCo under the Pinnacle Takeout Facilities will be guaranteed by each existing and subsequently acquired or formed direct and indirect domestic wholly-owned subsidiary of OpCo, subject to customary exceptions. As noted in the Pinnacle Takeout Commitment Letter, it is anticipated that OpCo will also issue senior unsecured notes (the Pinnacle Notes) in an aggregate principal amount of $300 million to provide a portion of the debt financing required by Pinnacle to consummate the transactions. The principal amount of the Pinnacle Notes may, at the election of OpCo, be increased or decreased by up to $125 million, as further described in, and in accordance with the terms of, the Pinnacle Takeout Commitment Letter. Both the issuance of the Pinnacle Notes and the receipt by the Pinnacle Takeout Commitment Parties of commitments from lenders for the Term Loan B Facility, in each case, on or prior to the closing date of the

merger, are conditions to the availability of the Pinnacle Takeout Facilities. Further, the Pinnacle Notes are only contemplated in connection with the Pinnacle Takeout Facilities.

Table of Contents

At this time, Pinnacle has not yet determined which of the two commitments described above will be utilized to provide the debt financing required to consummate the proposed transactions because such determination will be dependent on future market conditions. However, Pinnacle intends to use the Pinnacle Takeout Facilities if market conditions are favorable at the time of the distribution and not use the Pinnacle Bridge Facility.

The funding under either the Pinnacle Bridge Commitment Letter or the Pinnacle Takeout Commitment Letter, as applicable, is subject to customary conditions, including conditions that do not relate directly to the conditions to closing in the merger agreement. See The Merger Financing of the Transactions and The Merger Agreement Financing Efforts Pinnacle s Financing.

While the obligation of GLPI to consummate the merger is not subject to any financing condition, the merger agreement provides that, without GLPI s agreement, the closing of the merger will not occur earlier than (a) a date during the Pinnacle marketing period specified by Pinnacle on no less than three business days notice to GLPI or, if not so specified, on the last day of such Pinnacle marketing period (subject to certain conditions) and (b) the end date (as defined in the merger agreement), subject to certain conditions. The Pinnacle marketing period is the first period of twenty consecutive-days throughout and at the end of which nothing shall have occurred and no condition exists that would cause any of the conditions to closing to fail to be satisfied, assuming the closing to the merger were to be scheduled for any time during such twenty consecutive day period (other than conditions to closing that (i) relate to the stockholder approval, which must be satisfied five business days prior to the end of the Pinnacle marketing period and (ii) conditions to closing that by their nature will not be satisfied until the closing of the merger). Moreover, in no event will the closing of the merger occur prior to November 20, 2015, See The Merger Agreement Marketing Periods.

GLPI

GLPI anticipates that the total amount of funds necessary to finance the transactions and to pay transaction fees and expenses will be approximately $3.1 billion. This amount is expected to be funded through one or more of the following sources: available cash on hand, the issuance and sale by GLP Capital, L.P. (GLP Capital) and GLP Financing II, Inc. of senior unsecured notes, the issuance and sale by GLPI of common equity interests and borrowings under the GLPI Bridge Facility, the GLPI Limited Conditionality Incremental Term Facility and the GLPI Limited Conditionality Revolver (each defined below).

In connection with the transactions, GLPI has entered into an amended and restated commitment letter dated July 31, 2015 (the GLPI Commitment Letter) with JPMorgan Chase Bank, N.A., Bank of America, N.A., Fifth Third Bank, Manufacturers and Traders Trust Company, Wells Fargo Bank, National Association, UBS AG, Stamford Branch, Credit Agricole Corporate and Investment Bank, Suntrust Bank, Nomura Securities International, Inc., Citizens Bank, National Association, Barclays and certain of their affiliates (collectively, the GLPI Commitment Parties) to provide debt financing in connection with the transactions. Pursuant to the GLPI Commitment Letter, the GLPI Commitment Parties have committed to provide a $1.875 billion senior unsecured 364-day term loan bridge facility (the GLPI Bridge Facility).

In connection with the transactions, GLP Capital has entered into Amendment No. 1 (the Credit Agreement Amendment) dated July 31, 2015 to the Credit Agreement dated as of October 28, 2013 among GLP Capital, the several banks and other financial institutions or entities party thereto, and JPMorgan Chase Bank, N.A., as administrative agent. The Credit Agreement Amendment provides incremental term loan commitments in an aggregate committed amount of $825 million subject to limited conditionality (the GLPI Limited Conditionality Incremental Term Facility). The Credit Agreement Amendment also provides for revolving loans in a principal amount not to exceed $411 million borrowed in connection with the transactions to be subject to the same limited conditionality as the incremental term loans (the GLPI Limited Conditionality Revolver).

The funding under each of the GLPI Bridge Facility, the GLPI Limited Conditionality Incremental Term Facility and the GLPI Limited Conditionality revolver is subject to customary conditions, including conditions that do not relate directly to the conditions to closing in the merger agreement. See The Merger Financing of the Transactions and The Merger Agreement Financing Efforts GLPI s Financing.

While the obligation of GLPI to consummate the merger is not subject to any financing condition, the merger agreement provides that, without Pinnacle s agreement, the closing of the merger will not occur earlier than (a) a date during the GLPI marketing period specified by GLPI on no less than three business days notice to Pinnacle or, if not so specified, on the last day of such GLPI marketing period (subject to certain conditions) and (b) the end date (as defined in the merger agreement), subject to certain conditions. The GLPI marketing period is the first period of twenty consecutive days throughout and at the end of which (a) GLPI and its financing sources have had access to certain required information and such information continues to be compliant during such period (subject to certain exceptions) and (b) nothing shall have occurred and no condition exists that would cause any of the conditions to closing to fail to be satisfied, assuming the closing to the merger were to be scheduled for any time during such twenty consecutive day period (other than conditions to closing that (i) relate to the shareholder approval, which must be satisfied five business days prior to the end of the GLPI marketing period and (ii) conditions to closing that by their nature will not be satisfied until the closing of the merger). Moreover, in no event will the closing of the merger occur prior to November 20, 2015, see The Merger Agreement Marketing Periods.

Interests of Certain Pinnacle Persons in the Merger (see page 104)

When considering the recommendation of the Pinnacle board with respect to the merger, you should be aware that Pinnacle s executive officers and directors may have interests in the merger that are different from, or in addition to, those of Pinnacle s stockholders more generally. Pinnacle s board of directors was aware of these interests during its deliberations on the merits of the merger and in deciding to recommend that Pinnacle stockholders vote for the adoption of the merger agreement at the Pinnacle special meeting.

See the section of this joint proxy statement/prospectus titled The Merger Interests of Certain Pinnacle Persons in the Merger for a more detailed description of the interests of Pinnacle s executive officers and directors.

Board of Directors and Management of GLPI following Completion of the Merger (see page 110)

Upon completion of the merger, the current directors and executive officers of GLPI are expected to continue in their current positions, other than as may be publicly announced by GLPI in the normal course.

U.S. Federal Income Tax Considerations Relating to the Merger (see page 110)

The merger is intended to be non-taxable to shareholders, provided it qualifies as a reorganization within the meaning of Section 368(a) of the Code. The holders of Pinnacle common stock are not expected to recognize any gain or loss for U.S. federal income tax purposes on the exchange of shares of Pinnacle common stock for shares of GLPI common stock in the merger, except with respect to any cash received in lieu of fractional shares of GLPI common stock. The obligations of Pinnacle and GLPI to complete the merger are subject to, among other conditions described in this joint proxy statement/prospectus, the receipt by each of Pinnacle and GLPI of the opinion of its counsel to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code.

You should read The Merger U.S. Federal Income Tax Considerations Relating to the Merger for a more complete discussion of the United States federal income tax considerations relevant to the merger. The tax

consequences of the merger to you will depend on your particular tax situation. **You should consult your tax advisor to determine the particular tax consequences of the merger to you**.

Accounting Treatment of the Merger (see page 125)

GLPI prepares its financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The merger will be accounted for by applying the acquisition method of accounting using the accounting guidance for asset acquisitions in ASC 805. When a transaction is deemed an asset acquisition, ASC 805 requires an allocation of the purchase price, including the transaction costs associated with the acquisition of assets, to the fair value of the assets acquired. Based on the guidance of ASC 805, GLPI will be the acquirer of Pinnacle for accounting purposes and will allocate the purchase price, including incurred transaction costs, to the fair value of the acquired Pinnacle real estate assets at the acquisition date.

Regulatory Approvals (see page 126)

Under the merger agreement, the parties have agreed to use their reasonable best efforts to obtain all of the regulatory approvals, including certain gaming approvals, and are required to agree to certain divestiture and other actions in order to obtain such approvals. GLPI and Pinnacle have made or intend to make various filings and submissions with governmental entities. The parties respective obligations to complete the merger are conditioned upon (1) the absence of any outstanding injunction by any court or other tribunal of competent jurisdiction having been entered and continuing to be in effect and the absence of any law having been adopted or be effective, in each case that prohibits the consummation of the merger or any of the transactions contemplated thereby (2) satisfaction of the regulatory approval condition (defined below).

Treatment of Pinnacle Long-Term Incentive Compensation (see page 127)

See the section of this joint proxy statement/prospectus entitled The Merger Interests of Certain Pinnacle Persons in the Merger for a detailed description of the treatment of Pinnacle Long-Term Incentive Awards.

At the time of the distribution, equity incentive awards and certain cash performance unit awards granted on or prior to July 16, 2015 will be adjusted into OpCo awards and GLPI awards in proportion to the relative value of Pinnacle (after giving effect to the spin-off) and OpCo. Outstanding equity incentive awards and cash performance unit awards granted after July 16, 2015 will be adjusted into OpCo awards. Following the spin-off, all OpCo awards will continue to vest in accordance with their terms based on OpCo service. Upon completion of the merger, each outstanding Pinnacle equity award will be cancelled in exchange for a number of shares of GLPI common stock determined based on the exchange ratio. In addition, certain cash performance unit awards will be cancelled in the merger in exchange for GLPI common stock based on the value of GLPI common stock at the time of the merger.

Agreement with Certain GLPI Shareholders (see page 129)

Concurrently with the execution of the merger agreement, Pinnacle entered into separate voting agreements with (i) Peter M. Carlino and the Carlino Family Trust (the Carlino Group) and (ii) Fortress Investment Fund V (GLPI SisterCo B) LP, Fortress Investment Fund V (GLPI SisterCo C) LP, Fortress Investment Fund V (GLPI SisterCo F) LP, Fortress Investment Fund V (Coinvestment GLPI Sister Co B) LP, Fortress Investment Fund V (Coinvestment GLPI SisterCo C) LP, Fortress Investment Fund V (Coinvestment GLPI SisterCo F) LP, Fortress Investment Fund V (GLPI SisterCo A) LP, Fortress Investment Fund V (GLPI SisterCo D) LP, Fortress Investment Fund V (GLPI SisterCo E) LP, Fortress Investment Fund V (Coinvestment GLPI SisterCo A) LP and Fortress Investment Fund V (Coinvestment GLPI SisterCo D) LP (the Fortress Group), pursuant to which each of the Carlino Group and the

Fortress Group has agreed, among other matters and upon the terms and subject to the conditions set forth in their

Table of Contents

respective voting agreements, to vote all of their shares of GLPI common stock in favor of the share issuance proposal and the other actions contemplated by the merger agreement and against any proposal that would reasonably be expected to materially impair the ability of GLPI or Merger Sub to consummate the merger. The Carlino Group and the Fortress Group hold 24,727,163 shares of GLPI common stock in the aggregate, or approximately 21% of the voting power of GLPI as of the date of this joint proxy statement/prospectus.

Listing of GLPI Common Stock; Delisting of Pinnacle Common Stock (see page 129)

It is a condition to the consummation of the merger that the shares of GLPI common stock to be issued to Pinnacle stockholders in the merger be authorized for listing on NASDAQ, subject to official notice of issuance. As a result of the merger, shares of Pinnacle common stock currently listed on NASDAQ will cease to be listed on NASDAQ.

No Appraisal/Dissenters Rights (See page 130)

Under the Delaware General Corporation Law (the DGCL) as well as the governing documents of Pinnacle, the stockholders of Pinnacle are not entitled to appraisal rights or dissenters rights in connection with the merger. Under the Pennsylvania Business Corporation Law (the PBCL) as well as the governing documents of GLPI, the shareholders of GLPI are not entitled to appraisal rights or dissenters rights in connection with the share issuance proposal.

No Solicitation of Alternative Proposals (see page 137)

Pursuant to the merger agreement, Pinnacle has agreed that it will, and will cause each of its and its affiliates respective officers, directors and employees, agents, financial advisors, investment bankers, attorneys, accountants or other representatives (collectively, representatives), among other matters, not to directly or indirectly solicit, initiate, knowingly facilitate or knowingly encourage any inquiries regarding, or the making of any proposal or offer that constitutes, or would reasonably be expected to lead to competing proposals relating to certain alternative transaction proposals or, except as described below, engage in, continue or otherwise participate in any substantive discussions or negotiations regarding, or furnish to any other person any nonpublic information in connection with or for the purpose of encouraging or facilitating, such a proposal.

If Pinnacle receives a certain written unsolicited bona fide transaction proposal, prior to adoption of the merger agreement by its stockholders, that the Pinnacle board of directors has determined in good faith (after consultation with its outside legal counsel and financial advisors) that such proposal constitutes or would reasonably be expected to lead to a company takeover proposal that constitutes a superior proposal (which is defined as an alternative transaction that the Pinnacle board of directors determines is more favorable to the stockholders of Pinnacle from a financial point of view than the transaction contemplated by this merger agreement after taking certain factors into consideration) and that failure to take certain actions with respect to such a superior proposal would be reasonably likely to be inconsistent with its fiduciary duties under appliance law, then, Pinnacle may, subject to certain conditions, furnish nonpublic information to the third party making the superior proposal for an alternative transaction and engage in discussions or negotiations with the third party with respect to the superior proposal for an alternative transaction.

Conditions to Completion of the Merger (see page 149)

As more fully described in this joint proxy statement/prospectus and in the merger agreement, the obligations of the parties to effect the merger is subject to the satisfaction or waiver of the following mutual conditions:

adoption of the merger agreement proposal by Pinnacle s stockholders and approval of the share issuance by GLPI shareholders;

absence of an injunction having been entered by any court or other tribunal of competent jurisdiction and continuing to be in effect and any law having been adopted or effective, in each case, prohibiting the consummation of the merger or the other related transactions, including the spin-off;

the registration statement on Form S-4 filed by GLPI in connection with the share issuance having been declared effective by the SEC and no stop order suspending the effectives of such Form S-4 having been issued by the SEC and no proceedings for that purpose have been initiated or threatened by the SEC;

GLPI common stock issued in the merger having been approved for listing on NASDAQ, subject to official notice of issuance;

all requisite gaming approvals having been obtained from the relevant gaming authorities and such approvals being in full force and effect;

OpCo s Form 10 (File No. 001-37666) and any related documents filed in connection with the spin-off having become effective under the Exchange Act, and are not the subject of any stop order or proceedings seeking a stop order and no proceedings for that purpose having been initiated or overtly threatened by the SEC and not concluded or withdrawn;

the distribution having been completed in accordance with the separation agreement; and

no action pending before, or threatened in writing by, the U.S. Antitrust Division of the Department of Justice or the Federal Trade Commission (the FTC) wherein an unfavorable judgment, decree, injunction, order or ruling would prevent the performance of the transaction documents or any of the transactions contemplated hereby or thereby, declare unlawful the transactions contemplated by the transaction documents or cause such transactions to be rescinded or reasonably be expected to cause a regulatory material adverse effect (the regulatory approval condition).

The obligation of Pinnacle to effect the merger is also subject to the satisfaction, or waiver by Pinnacle, of the following additional conditions:

the accuracy of the representations and warranties of GLPI and Merger Sub set forth in the merger agreement, subject to the materiality standards set forth in the merger agreement, as of the date of the merger agreement and as of the closing date of the merger (except to the extent such representations and warranties are expressly made as of a specific date, in which case such representations and warranties will be true and correct as of such specific date only), and Pinnacle s receipt of an officer s certificate from GLPI to such effect;

performance of all obligations required to be performed under the merger agreement by GLPI and compliance with all covenants required to be complied with under the merger agreement by GLPI and

Merger Sub in all material respects prior to the effective time of the merger (and the receipt of an officer s certificate from GLPI to such effect);

the absence, since the date of the merger agreement, of any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect with respect to GLPI (and the receipt of an officer s certificate from GLPI to such effect);

the receipt by Pinnacle of a written tax opinion from Skadden, Arps, Slate, Meagher & Flom LLP (Skadden) to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code; and

the receipt by Pinnacle of a written tax opinion of KPMG LLP to the effect that commencing with GLPI s taxable year ended December 31, 2014, GLPI has been organized and operated in conformity with the requirements for qualification as a REIT under the Code and its proposed method of operation will enable it to continue to meet the requirements for qualification and taxation as a REIT under the Code thereafter.

The obligation of GLPI to effect the merger is also subject to the satisfaction, or waiver by GLPI, of the following additional conditions:

- the accuracy of the representations and warranties of Pinnacle set forth in the merger agreement, subject to the materiality standards set forth in the merger agreement, as of the date of the merger agreement and as of the closing date of the merger (except to the extent such representations and warranties are expressly made as of a specific date, in which case such representations and warranties will be true and correct as of such specific date only), and GLPI s receipt of an officer s certificate from Pinnacle to such effect;

- performance of all obligations required to be performed under the merger agreement by Pinnacle and compliance with all covenants required to be complied with under the merger agreement by Pinnacle in all material respects prior to the effective time of the merger (and the receipt of an officer s certificate from Pinnacle to such effect);

- the absence of any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect with respect to Pinnacle (and the receipt of an officer s certificate from Pinnacle to such effect); and

- the receipt by GLPI of a written tax opinion from Wachtell, Lipton, Rosen & Katz (Wachtell Lipton) to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code.

Neither GLPI nor Pinnacle can be certain when, or if, the conditions to the merger will be satisfied or waived, or that the merger will be completed.

Termination of the Merger Agreement (see page 151)

Pinnacle and GLPI may mutually agree to terminate the merger agreement before completing the merger, even after approval of the merger agreement by the Pinnacle stockholders and approval of the share issuance by GLPI shareholders.

In addition, either GLPI or Pinnacle may decide to terminate the merger agreement if:

- subject to certain exceptions, the merger is not consummated by March 31, 2016, subject to one three-month extension by GLPI to June 30, 2016, at the election of GLPI, if the only conditions not satisfied at such time relate to regulatory and other government approvals (such date, as may be extended, the end date);

- an injunction is entered permanently restraining, enjoining or otherwise prohibiting the consummation of the merger and such injunction shall have become final and nonappealable (provided that the right to terminate will not be available to a party if the injunction was due to the failure of the party to perform any of its obligations under the merger agreement);

the Pinnacle special meeting has concluded without adoption of the merger agreement proposal by Pinnacle s stockholders or if the GLPI special meeting has concluded without approval of GLPI s shareholders of the share issuance proposal; or

there has been a breach of the merger agreement by the other party or there has been a failure to perform any of its representations, warranties, covenants or agreements contained in the merger agreement, which breach or failure to perform (i) if it occurred or was continuing to occur on the closing date, would result in a failure of a condition to close by such breaching party and (ii) is incapable of being cured during the time period set forth in the merger agreement or, if curable, is not cured during the applicable cure period (subject to certain conditions).

GLPI may also terminate the merger agreement if, prior to the adoption of the merger agreement by Pinnacle s stockholders, the Pinnacle board makes an adverse recommendation change.

Expenses and Termination Fees Relating to the Termination of the Merger Agreement (see page 151)

If the merger agreement is validly terminated, the agreement will become void and have no effect, without any liability or obligation on the part of any party except for (i) liabilities in connection with the confidentiality agreement between Pinnacle and GLPI, (ii) termination fees and expense reimbursements as described below, (iii) indemnification and confidentiality provisions arising out of Pinnacle s cooperation with GLPI in connection with GLPI s financing and (iv) liabilities arising out of or the result of fraud or any willful and material breach of any covenant, agreement, representation or warranty in the merger agreement prior to termination, in which case the aggrieved party is not limited to expense reimbursement or the termination fees described below and will be entitled to all rights and remedies available at law or equity. The provisions of the merger agreement relating to the effects of termination, fees and expenses, termination payments, governing law, jurisdiction, waiver of jury trial, nonsurvival of representations and warranties, as well as the confidentiality agreement entered into between Pinnacle and GLPI, will continue in effect notwithstanding termination of the merger agreement.

Pinnacle will be obligated to pay to GLPI a termination fee of $60 million (subject to REIT restrictions) in the following circumstances:

- the merger agreement is terminated by GLPI prior to adoption of the merger agreement by Pinnacle s stockholders in the event Pinnacle s board makes an adverse recommendation change; or

- (i) a company takeover proposal has been publicly announced or has become publicly known and not withdrawn by a date that is at least fifteen business days prior to the Pinnacle special meeting, (ii) thereafter, the merger agreement is terminated by either Pinnacle or GLPI because the Pinnacle special meeting has concluded without the adoption of the merger agreement by Pinnacle s stockholders and (iii) within twelve months of the termination of the merger agreement, Pinnacle or any of its subsidiaries enters into a definitive agreement with a third party with respect to or consummates a transaction that is a company takeover proposal with a third party.

In addition, GLPI will be obligated to pay to Pinnacle a termination fee of $150 million under the following circumstance:

- the merger agreement is terminated by either GLPI or Pinnacle because of any injunction, order, decree or ruling relating to gaming, antitrust or related laws or any related consents or approvals or the end has been reached and certain conditions related to regulatory and gaming approvals have not been satisfied; however, GLPI will not be required to pay any such termination fee if the primary cause of such termination was an adverse suitability finding under applicable gaming laws with respect to the business of OpCo and its affiliates.

In addition, in respect of expenses in connection with the merger agreement, (i) in the event of a termination resulting from the failure to obtain approval of the share issuance by GLPI s shareholders, GLPI shall pay Pinnacle $20 million within two business days after such termination (so long as Pinnacle s stockholders have not failed to adopt the merger agreement) and (ii) in the event of termination resulting from the failure of Pinnacle s stockholders to adopt the merger agreement, Pinnacle shall pay GLPI $20 million (subject to REIT restrictions) determined in accordance with calculations in the merger agreement within two business days after such termination (so long as GLPI s shareholders have not failed to approve the share issuance proposal).

Table of Contents

Specific Performance **(see page 152)**

GLPI, Merger Sub and Pinnacle are entitled to seek specific performance to prevent breaches of the merger agreement and to enforce the terms of the merger agreement in addition to any other remedy to which they are entitled at law or in equity.

Expected Timing of the Merger **(see page 130)**

The merger is expected to be completed in the first quarter of 2016. However, neither GLPI nor Pinnacle can predict the actual date on which the merger will be completed, nor can the parties assure that the merger will be completed, because completion is subject to conditions beyond each party s control.

Comparison of Rights of Common Shareholders of GLPI and Common Stockholders of Pinnacle **(see page 184)**

Pinnacle stockholders receiving shares of GLPI common stock in connection with the merger will have different rights once they become shareholders of GLPI due to differences between laws of the Commonwealth of Pennsylvania and the State of Delaware and the governing corporate documents of GLPI and Pinnacle. These differences are described in more detail under Comparison of Rights of Common Shareholders of GLPI and Common Stockholders of Pinnacle.

Risk Factors **(see page 38)**

Before voting at the Pinnacle special meeting or the GLPI special meeting, you should carefully consider all of the information contained in or incorporated by reference into this joint proxy statement/prospectus, as well as the specific factors under the heading Risk Factors.

Table of Contents

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF GLPI

The following selected historical consolidated financial and operating data of GLPI for the five-year period ended December 31, 2014 and the selected historical consolidated balance sheet data as of the five-year periods ended on December 31, 2014 have been derived from GLPI s audited consolidated financial statements as of and for the fiscal year ended December 31, 2014 contained in its Annual Report on Form 10-K filed with the SEC on February 27, 2015, as amended by Amendment No. 1 thereto on Form 10-K/A filed with the SEC on November 9, 2015, which is incorporated by reference into this joint proxy statement/prospectus.

The selected historical financial information for each of the nine-month periods ended September 30, 2015 and September 30, 2014, and the balance sheet data as of September 30, 2015 have been derived from GLPI s unaudited consolidated financial statements as of and for the quarterly period ended September 30, 2015 contained in GLPI s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 filed with the SEC on November 9, 2015, which is incorporated by reference into this joint proxy statement/prospectus. The balance sheet data as of September 30, 2014 has been derived from GLPI s unaudited consolidated financial statements for the quarterly period ended September 30, 2014 contained in GLPI s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2014 filed with the SEC on November 7, 2014 (adjusted to reflect the restatement related to GLPI s revenue recognition of percentage rents received pursuant to GLPI s master lease with Penn, which restatement is described in GLPI s Annual Report on Form 10-K/A and Quarterly Reports on Form 10-Q/A incorporated by reference into this joint proxy statement/prospectus), which is not incorporated by reference into this joint proxy statement/prospectus. In GLPI s view, the unaudited financial statements include all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the interim September 30, 2015 financial information. Interim results for the nine months ended and as of September 30, 2015 are not necessarily indicative of, and are not projections for, the results to be expected for the fiscal year ending December 31, 2015.

The information set forth below is only a summary and is not necessarily indicative of the results of future operations of GLPI or GLPI following completion of the merger, and you should read the following information together with GLPI s consolidated financial statements, the related notes and the sections entitled Management s Discussion and Analysis of Financial Condition and Results of Operations contained in GLPI s Annual Report on Form 10-K filed with the SEC on February 27, 2015, as amended by Amendment No. 1 thereto on Form 10-K/A filed with the SEC on November 9, 2015, and in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015, which are incorporated by reference into this joint proxy statement/prospectus, and in GLPI s other reports filed with the SEC. For more information, see the section titled Where You Can Find More Information.

Table of Contents

	For the Year Ended December 31,					Nine Months Ended September 30,	
	2014[(1)]	2013[(1)]	2012	2011	2010	2015	2014
	(In thousands, except per share amounts)						
Income Statement Data:							
Net revenues	$ 591,068	$ 235,452	$ 210,643	$ 231,884	$ 143,198	$ 446,364	$ 445,988
Total operating expenses	332,562	181,547	166,975	179,371	112,067	253,402	247,579
Income from operations	258,506	53,905	43,668	52,513	31,131	192,962	198,409
Total other expenses	114,586	23,456	6,318	6,954	4,874	88,612	85,623
Income before income taxes	143,920	30,449	37,350	45,559	26,257	104,350	112,786
Income tax expense	5,113	15,596	14,431	18,875	10,927	6,001	4,181
Net income	$ 138,807	$ 14,853	$ 22,919	$ 26,684	$ 15,330	$ 98,349	$ 108,605
Per Share Data:							
Basic earnings per common share	$ 1.23	$ 0.13	$ 0.21	$ 0.24	$ 0.14	$ .86	$ .97
Diluted earnings per common share	$ 1.18	$ 0.13	$ 0.20	$ 0.23	$ 0.13	$ .83	$ .92
Other Data:							
Net cash provided by operating activities	$ 273,259	$ 80,632	$ 26,744	$ 56,840	$ 29,083	$ 266,825	$ 221,007
Net cash used in investing activities	(317,319)	(16,275)	(4,810)	(8,171)	(58,987)	(14,077)	(302,206)
Net cash (used in) provided by financing activities	(205,188)	206,302	(24,518)	(50,436)	41,866	(245,981)	(172,688)
Depreciation	106,843	28,923	14,090	14,568	10,809	82,585	79,397
Interest expense	117,030	19,254				90,373	87,460
Balance Sheet Data:							
Cash and cash equivalents	$ 35,973	$ 285,221	$ 14,562	$ 17,146	$ 18,913	$ 42,740	$ 31,334
Real estate investments, net	2,180,124	2,010,303				2,113,382	2,201,856
Total assets	2,564,580	2,609,239	267,075	261,342	254,208	2,516,115	2,595,437
Long-term debt, net of current maturities	2,609,487	2,350,000				2,541,313	2,546,000
Shareholders (deficit) equity	(176,290)	137,452	236,330	219,911	215,388	(236,586)	(115,497)
Property Data:							
Number of rental properties owned at	19	17				19	19

year / period end							
Rentable square feet at year / period end	6,970	6,344				6,970	6,970

(1) Financial results for GLPI s fiscal year ending December 31, 2014 reflect the first full year of operations for both operating segments. GLPI was spun-off from Penn on November 1, 2013. For 2010 through 2012, the selected historical financial data sets forth the historical operations of Louisiana Casino Cruises, Inc. and Penn Cecil Maryland, Inc., which were acquired by a subsidiary of GLPI as part of the Penn spin-off (defined below). See the section titled Information About GLPI for additional information about GLPI.

Table of Contents

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF PINNACLE

The following selected historical consolidated financial and operating data of Pinnacle for the five-year period ended December 31, 2014 and the selected historical consolidated balance sheet data as of the five-year periods ended on December 31, 2014 have been derived from Pinnacle s audited consolidated financial statements as of and for the fiscal year ended December 31, 2014 contained in its Annual Report on Form 10-K filed with the SEC on March 2, 2015, which is incorporated by reference into this joint proxy statement/prospectus.

The selected historical financial information for each of the nine-month periods ended September 30, 2015 and September 30, 2014, and the balance sheet data as of September 30, 2015 have been derived from Pinnacle s unaudited consolidated financial statements as of and for the quarterly period ended September 30, 2015 contained in Pinnacle s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 filed with the SEC on November 9, 2015, which is incorporated by reference into this joint proxy statement/prospectus. The balance sheet data as of September 30, 2014 has been derived from Pinnacle s unaudited consolidated financial statements for the quarterly period ended September 30, 2014 contained in Pinnacle s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2014 filed with the SEC on November 10, 2014, which is not incorporated by reference into this joint proxy statement/prospectus. In Pinnacle s view, the unaudited financial statements include all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the interim September 30, 2015 financial information. Interim results for the nine months ended and as of September 30, 2015 are not necessarily indicative of, and are not projections for, the results to be expected for the fiscal year ending December 31, 2015.

The information set forth below is only a summary and is not necessarily indicative of the results of future operations of Pinnacle, or of OpCo following completion of the merger, and you should read the following information together with Pinnacle s consolidated financial statements, the related notes and the sections entitled Management s Discussion and Analysis of Financial Condition and Results of Operations contained in Pinnacle s Annual Report on Form 10-K filed with the SEC on March 2, 2015 and in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015, which are incorporated by reference into this joint proxy statement/prospectus, and in Pinnacle s other reports filed with the SEC. For more information, see the section titled Where You Can Find More Information.

Table of Contents

	For the year ended December 31,					For the nine months ended September 30,	
	2014(1)	2013(2)	2012(3)	2011(4)	2010(5)	2015	2014
	(in millions, except per share data)						
Results of Operations:							
Revenues	$ 2,210.5	$ 1,487.8	$ 1,002.8	$ 940.9	$ 859.0	$ 1,733.4	$ 1,656.3
Operating income	310.5	104.4	136.7	127.3	52.4	255.2	231.7
Income (loss) from continuing operations, net of income taxes	38.3	(133.4)	(13.2)	28.9	(41.0)	56.3	24.1
Income (loss) from discontinued operations, net of income taxes	5.5	(122.5)	(18.6)	(31.4)	17.6	5.2	5.1
Income (loss) from continuing operations per common share:							
Basic	$ 0.64	$ (2.27)	$ (0.22)	$ 0.47	$ (0.67)	$ 0.94	$ 0.41
Diluted	$ 0.62	$ (2.27)	$ (0.22)	$ 0.46	$ (0.67)	$ 0.91	$ 0.39
Other Data:							
Capital expenditures and land additions	$ 230.8	$ 292.6	$ 299.5	$ 153.5	$ 157.5	$ 57.5	$ 188.7
Ratio of Earnings to Fixed Charges(6)	1.1x		1.0x	1.2x		1.4x	1.1x
Cash Flows Provided by (Used in):							
Operating activities	$ 328.5	$ 161.1	$ 186.9	$ 131.8	$ 88.7	$ 316.8	$ 270.5
Investing activities	33.2	(1,842.7)	(302.1)	(293.4)	(130.7)	(53.0)	75.5
Financing activities	(395.6)	1,778.5	136.7	46.5	108.2	(305.4)	(389.6)
Balance Sheet Data:							
Cash, restricted cash and equivalents(7)	$ 170.3	$ 203.5	$ 100.5	$ 82.9	$ 199.9	$ 123.0	$ 160.7
Total assets	4,833.7	5,159.4	2,109.0	1,950.6	1,883.8	4,588.9	4,848.1
Long-term debt less current portion	3,975.6	4,364.0	1,437.3	1,223.9	1,176.6	3,665.9	3,982.3
Total stockholders equity	289.4	225.2	447.1	519.4	507.4	372.0	271.0

(1) The financial results for 2014 include the full year impact of the acquisition of Ameristar Casinos, Inc. In addition, financial results include the opening of Belterra Park, which opened May 1, 2014, the redemption of approximately $514.3 million of aggregate principal amount of term loans, for a net reduction in total debt of $401.3 million under our Amended and Restated Credit Agreement, a portion of which resulted in a $8.2 million loss on early extinguishment of debt.

(2) The financial results for 2013 include the impact of the acquisition of Ameristar in August 2013. In addition, Pinnacle incurred $85.3 million in costs associated with the acquisition of Ameristar Casinos, Inc., Pinnacle incurred a $30.8 million loss on early extinguishment of debt, a $144.6 million charge to discontinued operations for the impairment of the Lumiére Place Casino, the Four Seasons Hotel St. Louis and HoteLumiéreand related excess land parcels classified as assets held for sale in 2013, a $10.0 million charge related to the impairment of our Boomtown Bossier City gaming license, a tax benefit from the release of $58.4 million of our valuation

allowance as a result of the consolidation of our deferred tax assets with Ameristar s deferred tax liabilities, and a $92.2 million impairment of our investment in ACDL.

(3) The financial results for 2012 include the opening of L Auberge Baton Rouge, which opened September 1, 2012. In addition, Pinnacle incurred a $20.7 million loss on early extinguishment of debt, a $10.2 million charge related to cash and land donation commitments made for various projects in the City of St. Louis to satisfy obligations under our redevelopment agreement, and a $25 million impairment of our investment in ACDL.

(4) The financial results for 2011 include a full year of operations at River City, and the purchase of River Downs racetrack for approximately $45.2 million in January 2011, as well as our $95 million investment in ACDL in August 2011, which results have been included from the time of close. The purchase price of these entities has been excluded from the capital expenditures shown for 2011.

Table of Contents

(5) The financial results for 2010 reflect impairment charges totaling $35.5 million related to indefinite-lived intangible assets, land and development costs and buildings and equipment. In addition, the 2010 results reflect the March 2010 opening of River City and income from discontinued operations related to the recovery of insurance proceeds from our former Casino Magic Biloxi property.

(6) In computing the ratio of earnings to fixed charges: (x) earnings were the income from continuing operations before income taxes and fixed charges, excluding capitalized interest; and (y) fixed charges were the sum of interest expense, amortization of debt issuance costs, capitalized interest and the estimated interest component included in rental expense. Due principally to our large non-cash charges deducted to compute such earnings, earnings so calculated were less than fixed charges by $44.5 million and $56.4 million for the years ended December 31, 2013, and 2010, respectively.

(7) Excludes amounts of cash and cash equivalents associated with entities and operations included in discontinued operations in the respective year.

Table of Contents

SUMMARY SELECTED UNAUDITED PRO FORMA CONSOLIDATED COMBINED FINANCIAL INFORMATION OF GLPI

The following summary selected unaudited pro forma consolidated combined balance sheet data gives effect to the proposed merger as if it had occurred on September 30, 2015 while the summary unaudited pro forma consolidated combined statement of operations data for the nine months ended September 30, 2015 and the year ended December 31, 2014 is presented as if the pro forma events had occurred on January 1, 2014.

The following summary selected unaudited pro forma consolidated combined financial information has been prepared for illustrative purposes only and is not necessarily indicative of what the combined company s consolidated financial position or results of operations actually would have been had the pro forma events occurred as of the dates indicated. In addition, the summary selected unaudited pro forma consolidated combined financial information does not purport to project the future financial position or operating results of the combined company. Future results may vary significantly from the results reflected because of various factors, including those discussed in the section entitled Risk Factors. The following summary selected unaudited pro forma consolidated combined financial information should be read in conjunction with the section titled Unaudited Pro Forma Consolidated Combined Financial Information of GLPI and related notes included in this joint proxy statement/prospectus.

Summary Unaudited Pro Forma Consolidated Combined Statements of Income Data (in thousands):

	Nine Months Ended September 30, 2015	Year Ended December 31, 2014
Net Revenues	$ 720,226	$ 959,999
Total operating expenses	294,396	392,199
Income from operations	425,830	567,800
Total other expenses	175,140	229,957
Income before income taxes	250,690	337,843
Income tax expense	6,001	5,113
Net income	244,689	332,730

Summary Unaudited Pro Forma Consolidated Combined Balance Sheet Data (in thousands):

	September 30, 2015
Cash and cash equivalents	$ 68,720
Real estate investments, net	3,899,007
Investment in direct financing lease	2,728,209
Total assets	7,086,985
Long-term debt, net of current maturities	4,966,313
Shareholders equity	1,887,150

32

Table of Contents

UNAUDITED COMPARATIVE PER SHARE INFORMATION

The following table summarizes unaudited per share data for (i) GLPI and Pinnacle on a historical basis for the nine months ended September 30, 2015 and the year ended December 31, 2014, (ii) GLPI on a pro forma combined basis giving effect to the proposed merger (collectively referred to in this joint proxy statement/prospectus as the pro forma events) and (iii) Pinnacle on a pro forma equivalent basis based on the exchange ratio of 0.85 shares of GLPI common stock for each share of Pinnacle common stock. It has been assumed for purposes of the pro forma combined financial information provided below that the pro forma events occurred on December 31, 2014 for earnings per share purposes and on September 30, 2015 for book value per share purposes. The historical earnings per share information should be read in conjunction with the historical consolidated financial statements and notes thereto of GLPI and Pinnacle incorporated by reference into this joint proxy statement/prospectus. See Where You Can Find More Information. The unaudited pro forma combined earnings per share information is derived from, and should be read in conjunction with, the section titled Unaudited Pro Forma Consolidated Combined Financial Information of GLPI and related notes included in this joint proxy statement/prospectus. The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the pro forma events had occurred as of the beginning of the periods presented, nor is it necessarily indicative of the future operating results or financial position of the combined company.

	GLPI		Pinnacle	
	Historical	Pro Forma Combined	Historical	Pro Forma Equivalent(1)
Nine Months Ended September 30, 2015				
Basic earnings per common share	$ 0.86	$ 1.25	$ 1.03	$ 1.06
Diluted earnings per common share	$ 0.83	$ 1.22	$ 0.99	$ 1.04
Cash dividends declared per common share	$ 1.64	$ 1.77		$ 1.50
As of September 30, 2015				
Basic book value per share	$ (2.07)	$ 9.67	$ 6.10	$ 8.22
Year Ended December 31, 2014				
Basic earnings per common share	$ 1.23	$ 1.72	$ 0.73	$ 1.46
Diluted earnings per common share	$ 1.18	$ 1.68	$ 0.71	$ 1.43
Cash dividends declared per common share	$ 14.32(2)	$ 14.50		$ 12.33

(1) The equivalent Pinnacle amounts are calculated by multiplying the pro forma combined GLPI amounts by the exchange ratio of 0.85. The product excludes the earnings, dividends and value of OpCo.

(2) Includes one-time dividends of $0.40 per common share distributed by GLPI in the fourth quarter of 2014 to ensure that GLPI appropriately allocated its historical earnings and profits in connection with the Penn spin-off and distributed 100% of its taxable income for the 2014 year. In addition, includes the February 18, 2014 Purging Distribution, which totaled $1.05 billion or $11.84 per common share and was comprised of cash and GLPI common stock, to distribute the accumulated earnings and profits related to the real property assets and attributable to any pre-REIT years, including any earnings and profits allocated to GLPI in connection with its spin-off.

33

Table of Contents

COMPARATIVE STOCK PRICE DATA AND DIVIDENDS

Stock Prices

GLPI s common stock is listed on NASDAQ under the symbol GLPI. Pinnacle s common stock is listed on NASDAQ under the symbol PNK. The following table sets forth the closing sales prices per share of GLPI common stock and Pinnacle common stock, on an actual and equivalent per share basis, on the New York Stock Exchange (where Pinnacle s common stock traded until the closing of the market on November 16, 2015) and on NASDAQ on the following dates:

March 6, 2015, the last full trading day before the announcement of GLPI regarding a potential merger,

July 20, 2015, the last full trading day before the public announcement of the merger, and

February 12, 2016, the last trading day for which this information could be calculated before the date of this joint proxy statement/prospectus.

	GLPI Common Stock	Pinnacle Common Stock	GLPI Equivalent Per Share(1)
March 6, 2015	$ 32.37	$ 27.42	$ 27.51
July 20, 2015	$ 34.77	$ 39.75	$ 29.55
February 12, 2016	$ 25.60	$ 27.52	$ 22.53

(1) The equivalent per share data for GLPI common stock has been determined by multiplying the market price of one share of GLPI common stock on each of the dates by the exchange ratio of 0.85.

The following table sets forth, for the periods indicated, the high and low sales prices per share of GLPI common stock and Pinnacle common stock as reported on NASDAQ and the New York Stock Exchange (where Pinnacle s common stock traded until the closing of the market on November 16, 2015), respectively, and cash dividends declared and paid for the same periods.

GLPI Common Stock

	GLPI Price Range High	GLPI Price Range Low	Cash Dividends
Fiscal Year ending December 31, 2016			
First Quarter (through February 12, 2016)	$ 28.30	$ 24.21	$ 0.56(1)
Fiscal Year ending December 31, 2015			
Fourth Quarter	$ 31.15	$ 25.79	$ 0.545
Third Quarter	$ 37.23	$ 28.50	$ 0.545

Second Quarter	$ 38.30	$ 35.50	$ 0.545
First Quarter	$ 37.85	$ 28.27	$ 0.545
Fiscal Year ended December 31, 2014			
Fourth Quarter	$ 32.73	$ 27.66	$ 0.92(2)
Third Quarter	$ 36.44	$ 30.76	$ 0.52
Second Quarter	$ 38.50	$ 32.18	$ 0.52
First Quarter	$ 51.57	$ 33.56	$ 12.36(3)

(1) On January 29, 2016, the GLPI board of directors declared GLPI s first quarter 2016 dividend of $0.56 per common share, payable on March 25, 2016 to shareholders of record on February 22, 2016.

(2) Includes one-time dividends of $0.40 per common share related to distributions to ensure that GLPI appropriately allocated its historical earnings and profits in connection with the Penn spin-off in response to the pre-filing agreement requested from the IRS and distributed 100% of its taxable income for the 2014 year.

(3) Includes the February 18, 2014 Purging Distribution, which totaled $1.05 billion or $11.84 per common share and was comprised of cash and GLPI common stock, to distribute the accumulated earnings and

34

Table of Contents

profits related to the real property assets and attributable to any pre-REIT years, including any earnings and profits allocated to GLPI in connection with its spin-off.

Pinnacle Common Stock

	Pinnacle Price Range High	Low	Cash Dividends
Fiscal Year ending December 31, 2016			
First Quarter (through February 12, 2016)	$ 31.78	$ 26.38	
Fiscal Year ending December 31, 2015			
Fourth Quarter	$ 36.87	$ 28.76	
Third Quarter	$ 41.66	$ 32.32	
Second Quarter	$ 40.42	$ 33.83	
First Quarter	$ 36.47	$ 19.92	
Fiscal Year ended December 31, 2014			
Fourth Quarter	$ 26.00	$ 19.66	
Third Quarter	$ 27.45	$ 21.46	
Second Quarter	$ 25.72	$ 21.57	
First Quarter	$ 26.77	$ 20.33	

As of February 8, 2016, the last date before the date of this joint proxy statement/prospectus for which it was practicable to obtain this information, there were 117,265,314 shares of GLPI common stock outstanding and approximately 521 holders of record of GLPI common stock (in each case, including restricted shares entitled to vote), and 61,074,913 shares of Pinnacle common stock outstanding and approximately 1,796 holders of record of Pinnacle common stock.

Because the exchange ratio will not be adjusted for changes in the market price of either GLPI common stock or Pinnacle common stock, the market value of the shares of GLPI common stock that holders of Pinnacle common stock will have the right to receive on the date the merger is completed may vary significantly from the market value of the shares of GLPI common stock that holders of Pinnacle common stock would receive if the merger were completed on the date of this joint proxy statement/prospectus. As a result, you should obtain recent market prices of GLPI common stock and Pinnacle common stock prior to voting your shares. See Risk Factors Risks Relating to the Merger.

Dividends

In order to qualify to be taxed as a REIT, GLPI is required to annually distribute dividends, other than capital gain dividends, to its shareholders in an amount at least equal to: (1) the sum of (a) 90% of its REIT taxable income, computed without regard to its net capital gains and the deduction for dividends paid; and (b) 90% of its after tax net income, if any, from foreclosure property; minus (2) the excess of the sum of specified items of non-cash income over 5% of its REIT taxable income, computed without regard to its net capital gain and the deduction for dividends paid. GLPI generally must make these distributions in the taxable year to which they relate. At GLPI s election, a dividend distribution is treated as paid in a taxable year if it is declared before GLPI timely files its tax return for that year and if paid with or before the first regular dividend payment after such declaration as long as the payment is made during the 12-month period following the close of that year. These distributions will be treated as received by GLPI s shareholders in the year in which paid.

Pinnacle does not declare or pay cash dividends on its common stock. The indentures governing Pinnacle s senior subordinated notes and credit facility limit the amount of dividends that Pinnacle is permitted to pay.

Table of Contents

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus and the documents incorporated by reference into this joint proxy statement/prospectus contain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 that are not limited to historical facts but reflect GLPI s and Pinnacle s current beliefs, expectations or intentions regarding future events. Words such as anticipate, believe, plan, continue, could, estimate, expect, forecast, guidance, intend, may, plan, possible, potential, predict, pro target, and other similar words, phrases or expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, GLPI s and Pinnacle s expectations with respect to the costs and other anticipated financial impacts of the spin-off and merger; future financial and operating results of OpCo and GLPI; the ability of Pinnacle and GLPI to complete the contemplated financing transactions and reorganizations in connection with the transaction; OpCo s and GLPI s plans, objectives, expectations and intentions with respect to future operations and services; required approvals of the merger by Pinnacle s stockholders and the share issuance by GLPI s shareholders, and by governmental regulatory authorities, including gaming authorities; the stock price of OpCo and GLPI following the consummation of the transactions; the stock price of GLPI prior to the consummation of the transactions; the satisfaction of the closing conditions to the proposed merger; and the timing of the completion of the merger. All forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, many of which are generally outside the control of GLPI and Pinnacle and difficult to predict. These risks and uncertainties also include those set forth under the section titled Risk Factors as well as, among others, risks and uncertainties relating to:

the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement or the failure to satisfy the closing conditions;

the possibility that the consummation of the proposed merger is delayed or does not occur, including due to the failure to obtain the required approvals of the GLPI shareholders and Pinnacle stockholders, which may have adverse effects on the business and the stock price of GLPI and Pinnacle;

the ability to obtain the regulatory approvals, including gaming approvals, required to complete the spin-off and the merger as contemplated by the merger agreement, and the timing and conditions for such approvals;

the possibility that the stock price of GLPI falls prior to or following the consummation of the proposed merger;

the taking of governmental action (including the passage of legislation) to block the merger or otherwise adversely affecting GLPI and Pinnacle;

the outcome of any legal proceedings that have been or may be instituted against GLPI, Pinnacle or others following announcement of the merger contemplated by the merger agreement;

- the ability to successfully integrate the real property portfolios of GLPI and Pinnacle, unexpected costs or unexpected liabilities that may arise from the merger, whether or not consummated;

- the disruption from the merger making it more difficult for Pinnacle to maintain relationships with their respective customers, employees or suppliers;

- the inability of Pinnacle to retain key personnel; and

- the impact of global or regional economic conditions, fluctuations in exchange rates, labor relations, competitive actions taken by other gaming operators, REITs or other competitors, terrorist attacks or natural disasters.

GLPI and Pinnacle caution that the foregoing list of factors is not exhaustive. Additional information concerning these and other risk factors is contained in GLPI s and Pinnacle s most recently filed Annual Reports on Form 10-K, subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K and other SEC filings,

Table of Contents

as such filings may be amended from time to time. All subsequent written and oral forward-looking statements concerning GLPI, Pinnacle, the merger or other matters attributable to GLPI or Pinnacle or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above. Neither GLPI nor Pinnacle undertakes any obligation to update publicly any of these forward-looking statements to reflect events or circumstances that may arise after the date hereof.

Table of Contents

RISK FACTORS

In addition to the other information included and incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in the section titled Cautionary Statements Regarding Forward-Looking Statements, you should carefully consider the following risk factors before deciding whether to vote for the merger agreement proposal, in the case of Pinnacle stockholders, or for the share issuance proposal, in the case of GLPI shareholders. In addition, you should read and consider the risks associated with each of the businesses of Pinnacle and GLPI because these risks will relate to the combined company following the completion of the transactions. Descriptions of some of these risks can be found in the Annual Reports of GLPI and Pinnacle on Form 10-K for the fiscal year ended December 31, 2014, and any amendments thereto for each of GLPI and Pinnacle, as such risks may be updated or supplemented in each company s subsequently filed Quarterly Reports on Form 10-Q or Current Reports on Form 8-K, which are incorporated by reference into this joint proxy statement/prospectus. You should also consider the other information in this document and the other documents incorporated by reference into this document. See the section titled Where You Can Find More Information.

Risks Relating to the Merger

Because the exchange ratio is fixed and the market prices of GLPI s and Pinnacle s common stock may fluctuate, Pinnacle stockholders cannot be sure of the value of the GLPI common stock they will receive on the closing date.

At the effective time of the merger, each share of Pinnacle common stock will be converted into the right to receive 0.85 of a share of GLPI common stock. If applicable, the exchange ratio will be adjusted appropriately to fully reflect the effect of any stock dividend, subdivision, stock split, reclassification, reorganization or other similar change with respect to the shares of either GLPI common stock or Pinnacle common stock prior to the completion of the merger. The exchange ratio will not, however, be adjusted for cash dividends or changes in the market price of either GLPI common stock or Pinnacle common stock between the date of signing the merger agreement and the effective time. Accordingly, at the time of the GLPI special meeting and at the time of the Pinnacle special meeting, neither GLPI shareholders nor Pinnacle stockholders will know, or be able to determine, the value of GLPI common stock to be issued in connection with the merger. For that reason, the market price of GLPI common stock on the date of the GLPI special meeting and the Pinnacle special meeting may not be indicative of the value of GLPI common stock that Pinnacle stockholders will receive upon completion of the merger.

The market prices of GLPI common stock and Pinnacle common stock are subject to general price fluctuations in the market for publicly traded equity securities and have experienced volatility in the past. Neither GLPI nor Pinnacle is permitted to terminate the merger agreement or re-solicit the vote of GLPI shareholders or Pinnacle stockholders, as applicable, solely because of changes in the market prices of either company s common stock. Stock price changes may result from a variety of factors, including general market and economic conditions and changes in the respective businesses, operations and prospects, regulatory considerations of GLPI and Pinnacle and investor behavior following the merger. Market assessments of the benefits of the proposed merger and the likelihood that the transactions will be completed, as well as general and industry-specific market and economic conditions, may also affect market prices of GLPI common stock and Pinnacle common stock. Many of these factors are beyond GLPI s and Pinnacle s control. Pinnacle stockholders should obtain current market quotations for shares of GLPI common stock and for shares of Pinnacle common stock.

Table of Contents

The transactions contemplated by the merger agreement are subject to conditions, including certain conditions that may not be satisfied, or completed on a timely basis, if at all. Failure to complete the transactions contemplated by the merger agreement, including the merger, could have material and adverse effects on GLPI and Pinnacle.

Completion of the merger is subject to a number of conditions, including the approval by GLPI shareholders of the share issuance proposal, approval by Pinnacle stockholders of the merger agreement proposal and consummation of the spin-off, which make the completion and timing of the completion of the transactions uncertain. See the section titled The Merger Agreement Conditions to Completion of the Merger for a more detailed discussion. Also, either GLPI or Pinnacle may terminate the merger agreement if the merger has not been consummated by March 31, 2016 or, in GLPI s sole discretion if the only conditions to closing that have not been satisfied or waived by that date are those related to regulatory approvals, consents or clearances, an outstanding judgment, injunction, order or law of a governmental authority prohibiting or enjoining the transactions or an action pending before, or threatened in writing by, the U.S. Antitrust Division of the Department of Justice or the Federal Trade Commission that would prevent the performance of the transactions June 30, 2016, except that this right to terminate the merger agreement will not be available to any party whose material breach of a representation, warranty, covenant or other agreement of such party under the merger agreement resulted in the failure of the transactions to be consummated on or before that date.

If the transactions contemplated by the merger agreement are not completed on a timely basis, or at all, GLPI s and Pinnacle s respective ongoing businesses may be adversely affected and, without realizing any of the benefits of having completed the transactions, GLPI and Pinnacle will be subject to a number of risks, including the following:

GLPI and Pinnacle will be required to pay their respective costs relating to the transactions, such as legal, accounting, financial advisory and printing fees, whether or not the transactions are completed;

time and resources committed by GLPI s and Pinnacle s management to matters relating to the transactions could otherwise have been devoted to pursuing other beneficial opportunities;

the market price of GLPI common stock or Pinnacle common stock could decline to the extent that the current market price reflects a market assumption that the transactions will be completed; and

if the merger agreement is terminated and the board of directors of Pinnacle seeks another business combination, Pinnacle stockholders cannot be certain that Pinnacle will be able to find a party willing to enter into a transaction agreement on terms equivalent to or more attractive than the terms agreed to in the merger agreement.

The merger agreement contains provisions that limit Pinnacle s ability to pursue alternatives to the transactions, could discourage a potential competing acquiror of Pinnacle from making a favorable alternative transaction proposal and, in specified circumstances, could require Pinnacle to pay a termination fee of $60 million to GLPI.

The merger agreement contains certain provisions that restrict Pinnacle s ability to initiate, solicit, knowingly facilitate or knowingly encourage or, subject to certain exceptions, engage in, continue or otherwise participant in any discussions or negotiations with respect to, or furnish to any other person any nonpublic information in connection with or for the purpose of encouraging or facilitating, or approve, recommend or enter into (or propose to approve recommend or enter into), any third-party proposal for an alternative transaction. Further, even if the Pinnacle board of directors changes, withholds, modifies, withdraws or qualifies its recommendation with respect to the merger agreement proposal, unless the merger agreement has been terminated in accordance with its terms, Pinnacle will still be required to submit the merger agreement proposal to a stockholder vote at the Pinnacle special meeting. In addition, GLPI generally has an opportunity to offer to modify the terms of the transactions contemplated by the merger agreement in response to any third-party alternative transaction proposal before the Pinnacle board of directors may change, withhold, modify, withdraw or qualify its recommendation

Table of Contents

with respect to the merger agreement proposal. In some circumstances, upon termination of the merger agreement, Pinnacle will be required to pay a termination fee of $60 million to GLPI. See the sections entitled The Merger Agreement No Solicitation of Alternative Proposals, The Merger Agreement Termination of the Merger Agreement and The Merger Agreement Expenses and Termination Fees Relating to the Termination of the Merger Agreement.

These provisions could discourage a potential third-party acquiror or merger partner that might have an interest in acquiring all or a significant portion of Pinnacle or pursuing an alternative transaction from considering or proposing such a transaction, even if it were prepared to pay consideration with a higher per share price than the per share price proposed to be received in the merger or might result in a potential third-party acquiror or merger partner proposing to pay a lower price to the stockholders of Pinnacle than it might otherwise have proposed to pay because of the added expense of the $60 million termination fee that may become payable in certain circumstances.

Pinnacle s executive officers and directors have interests in the transactions that may be different from, or in addition to, the interests of Pinnacle stockholders generally.

When considering the recommendation of the Pinnacle board with respect to the merger, you should be aware that Pinnacle s executive officers and directors may have interests in the merger that are different from, or in addition to, those of Pinnacle s stockholders more generally. Pinnacle s board of directors was aware of these interests during its deliberations on the merits of the merger and in deciding to recommend that Pinnacle stockholders vote for the adoption of the merger agreement at the Pinnacle special meeting.

At the time of the distribution, equity incentive awards and certain cash performance unit awards granted on or prior to July 16, 2015 will be adjusted into OpCo awards and Pinnacle awards in proportion to the relative value of Pinnacle (after giving effect to the spin-off) and OpCo. Outstanding equity incentive awards and cash performance unit awards granted after July 16, 2015 will be adjusted into OpCo awards. Following the spin-off, all OpCo awards will continue to vest in accordance with their terms based on OpCo service. Upon completion of the merger, each outstanding Pinnacle equity award will be cancelled in exchange for a number of shares of GLPI common stock determined based on the exchange ratio. In addition, certain cash performance unit awards will be cancelled in the merger in exchange for GLPI common stock based on the value of GLPI common stock at the time of the merger.

See the section of this joint proxy statement/prospectus entitled The Merger Interests of Certain Pinnacle Persons in the Merger for a more detailed description of the interests of Pinnacle s executive officers and directors.

Pinnacle and GLPI will be subject to business uncertainties while the merger is pending, which could adversely affect their business.

In connection with the pendency of the transactions, it is possible that certain persons with whom Pinnacle and GLPI have a business relationship may delay or defer certain business decisions or might decide to seek to terminate, change or renegotiate their relationships with Pinnacle or GLPI, as the case may be, as a result of the transactions, which could negatively affect Pinnacle s or GLPI s revenues, earnings and cash flows, as well as the market price of Pinnacle s or GLPI s respective common stock, regardless of whether the merger is completed.

Under the terms of the merger agreement, Pinnacle and GLPI are subject to certain restrictions on the conduct of its business prior to the effective time of the merger, which may adversely affect its ability to execute certain of its business strategies, including, the ability in certain cases to enter into contracts, acquire or dispose of assets, incur indebtedness or incur capital expenditures. Such limitations could negatively affect Pinnacle s businesses and operations prior to the completion of the transactions.

40

The merger is subject to the receipt of approvals, consents or clearances from regulatory authorities that may impose conditions that could have an adverse effect on GLPI or Pinnacle or, if not obtained, could prevent completion of the transactions.

Completion of the merger is conditioned upon the receipt of certain governmental approvals, including, without limitation, gaming regulatory approvals. Although each party has agreed to use their respective reasonable best efforts to obtain the requisite governmental approvals, there can be no assurance that these approvals will be obtained and that the other conditions to completing the merger will be satisfied. In addition, the governmental authorities from which the regulatory approvals are required may impose conditions on the completion of the merger or require changes to the terms of the merger or other agreements to be entered into in connection with the merger agreement. Such conditions or changes and the process of obtaining regulatory approvals could have the effect of delaying or impeding consummation of the transaction or of imposing additional costs or limitations on GLPI or Pinnacle following completion of the merger, any of which might have an adverse effect on GLPI or Pinnacle following completion of the merger. Under the terms of the merger agreement, however, (i) subject to certain conditions, Pinnacle is not required to agree to amendments to the master lease or take certain divestiture actions and (ii) GLPI is not required to take any divesture actions that would be expected to result in a loss of $150 million or more. One or more divesture actions, in the aggregate, that would reasonably be expected to result in a loss of $150 million or more is referred to in this joint proxy statement/prospectus as a Regulatory MAE . For additional information about the regulatory approvals process, see The Merger Regulatory Approvals.

The completion of the transactions may trigger change in control or other provisions in certain agreements to which Pinnacle is a party. If GLPI and Pinnacle are unable to negotiate waivers of those provisions, the counterparties may exercise their rights and remedies under the agreements, potentially terminating the agreements or seeking monetary damages. Even if GLPI and Pinnacle are able to negotiate waivers, the counterparties may require a fee for such waivers or seek to renegotiate the agreements on terms less favorable to Pinnacle.

GLPI is subject to provisions under the merger agreement that, in specified circumstances, could require GLPI to pay a termination fee of up to $150 million to Pinnacle.

As discussed in the risk factor above, completion of the merger is conditioned upon the receipt of certain governmental approvals. If regulatory approvals are not obtained as a result of a Regulatory MAE and the merger agreement is terminated by GLPI or Pinnacle under certain conditions, then, so long as the primary cause of such termination was not an adverse suitability finding under gaming laws with respect to the business of OpCo and its affiliates, GLPI will be required to pay Pinnacle a termination fee of $150 million, less any expense payments previously paid. In addition, GLPI will be required to pay Pinnacle a termination fee of $150 million, less any expense payments previously paid, if the merger agreement is terminated by either GLPI or Pinnacle because there is a permanent injunction restraining, enjoining or otherwise prohibiting the consummation of the merger and the injunction has become final and nonappelable, so long as the primary cause of such termination was not an adverse suitability finding under gaming laws with respect to the business of OpCo and its affiliates. For more information, see the section titled The Merger Agreement Expenses and Termination Fees Relating to the Termination of the Merger Agreement.

If such a termination fee is payable under any such circumstance, the payment of this fee could have material and adverse consequences to the financial condition and operations of GLPI.

Table of Contents

The unaudited pro forma consolidated combined financial information of GLPI and the unaudited pro forma condensed consolidated financial information of OpCo in this joint proxy statement/prospectus is presented for illustrative purposes only and may not be reflective of the operating results and financial condition of GLPI or OpCo, as the case may be, following completion of the pro forma events.

The unaudited pro forma consolidated combined financial information of GLPI and the unaudited pro forma condensed consolidated financial information of OpCo in this joint proxy statement/prospectus is presented for illustrative purposes only and is not necessarily indicative of what the applicable company s actual financial position or results of operations would have been had the pro forma events been completed on the dates indicated. Further, GLPI s and OpCo s actual results and financial position after the pro forma events may differ materially and adversely from the unaudited pro forma consolidated combined financial data that is included in this joint proxy statement/prospectus. The unaudited pro forma consolidated combined financial information of GLPI has been prepared with the assumption that GLPI will be identified as the acquirer under GAAP and reflects adjustments based upon preliminary estimates of the fair value of assets to be acquired and liabilities to be assumed.

If the merger does not qualify as a reorganization within the meaning of Section 368(a) of the Code, Pinnacle stockholders may be required to pay substantial U.S. federal income taxes.

Although GLPI and Pinnacle intend that the merger qualify as a reorganization within the meaning of Section 368(a) of the Code, it is possible that the Internal Revenue Service (the IRS) may assert that the merger fails to qualify as such. If the IRS were to be successful in any such contention, or if for any other reason the merger were to fail to qualify as a reorganization, each U.S. holder of Pinnacle common stock would recognize gain or loss with respect to all such U.S. holder s shares of Pinnacle common stock based on the difference between (1) that U.S. holder s tax basis in such shares and (2) the aggregate cash and the fair market value of the GLPI common stock received. For additional information, see the section titled The Merger U.S. Federal Income Tax Considerations Relating to the Merger.

Risks Relating to GLPI After Completion of the Merger

Following the merger, the market price of GLPI common stock may be volatile, and holders of GLPI s common stock could lose a significant portion of their investment due to drops in the market price of GLPI s common stock following completion of the transactions.

The market price of GLPI s common stock may be volatile, and following completion of the merger, shareholders may not be able to resell their shares of GLPI common stock at or above the price at which they acquired the common stock pursuant to the merger agreement or otherwise due to fluctuations in its market price, including changes in price caused by factors unrelated to GLPI s performance or prospects.

Specific factors that may have a significant effect on the market price for GLPI s common stock include, among others, the following:

- changes in stock market analyst recommendations or earnings estimates regarding GLPI s common stock or other comparable REITs;
- actual or anticipated fluctuations in GLPI s revenue stream or future prospects;

reaction to public announcements by GLPI following the merger;

strategic actions taken by GLPI or its competitors, such as acquisitions;

failure of GLPI to achieve the perceived benefits of the merger, including financial results, as rapidly as or to the extent anticipated by financial or industry analysts;

new laws or regulations or new interpretations of existing laws or regulations applicable to GLPI s business and operations or the gaming industry;

changes in tax or accounting standards, policies, guidance, interpretations or principles;

Table of Contents

adverse conditions in the financial markets or general U.S. or international economic conditions, including those resulting from war, incidents of terrorism and responses to such events; and

sales of GLPI common stock by Pinnacle stockholders, members of GLPI s management team or other significant shareholders.

If GLPI fails to remain qualified as a REIT, GLPI will be subject to U.S. federal income tax as a regular corporation and could face substantial tax liability, which would substantially reduce funds available for distribution to its shareholders.

GLPI s qualification as a REIT depends on GLPI s satisfaction of certain asset, income, organizational, distribution, shareholder ownership and other requirements on a continuing basis. GLPI s ability to satisfy the asset tests depends upon its analysis of the characterization and fair market values of its assets, some of which are not susceptible to a precise determination. GLPI s compliance with the REIT income and quarterly asset requirements also depends upon its ability to successfully manage the composition of its income and assets on an ongoing basis. Moreover, the proper classification of one or more of GLPI s investments may be uncertain in some circumstances, which could affect the application of its REIT qualification. Accordingly, there can be no assurance that the IRS will not contend that GLPI does not satisfy the requirements for qualification and taxation as a REIT following the merger.

If GLPI were to fail to qualify as a REIT in any taxable year, it would be subject to U.S. federal income tax, including any applicable alternative minimum tax, on its taxable income at regular corporate rates, and distributions to its shareholders would not be deductible by GLPI in computing its taxable income. Any such corporate tax liability could be substantial and would reduce the amount of cash available for distribution to GLPI s shareholders, which in turn could have an adverse effect on the value of, and trading prices for, GLPI common stock. In addition, unless GLPI is entitled to relief under certain provisions of the Code, it would also be disqualified from taxation as a REIT for the four taxable years following the year during which it initially ceased to qualify as a REIT.

The future results of GLPI will suffer if GLPI does not effectively manage its expanded portfolio of properties following the completion of the merger and the failure to effectively manage its portfolio could have a material and adverse effect on GLPI s business and its ability to make distribution to shareholders, as required for GLPI to continue to qualify as a REIT.

Following the completion of the transactions, the size of GLPI s business will materially increase beyond the current size of GLPI s business. GLPI s future success depends, in part, upon its ability to manage this expanded business, which will pose challenges for management, including challenges related to acting as landlord to a larger portfolio of properties and associated increased costs and complexity. There can be no assurances that GLPI will be successful.

In addition, GLPI depends on its tenants to operate the properties that GLPI owns in a manner that generates revenues sufficient to allow the tenants to meet their obligations to GLPI, including their obligations to pay rent, maintain certain insurance coverage, pay real estate taxes and maintain the properties in a manner so as not to jeopardize their operating licenses or regulatory status. The ability of GLPI s tenants to fulfill their obligations may depend, in part, upon the overall profitability of their operations. GLPI s financial position could be materially weakened if any of its tenants were unable to meet their obligations to GLPI or failed to renew or extend any lease as such lease expires, or if GLPI were unable to lease or re-lease GLPI s properties on economically favorable terms.

GLPI s business will continue to be dependent on the gaming industry and may be susceptible to the risks associated with it, which could materially and adversely affect GLPI s business, financial position or results of operations.

GLPI s tenants are primarily in the business of operating gaming facilities. As a result, GLPI will be affected by the risks associated with the gaming industry. Therefore, following the merger, GLPI s success will continue to be dependent on the gaming industry, which could be adversely affected by economic conditions in general, changes in consumer trends and preferences and other factors over which GLPI and its tenants have no control. As GLPI is subject to risks inherent in substantial investments in a single industry, a decrease in the gaming business would likely have a greater adverse effect on GLPI s business than if it owned a more diversified real estate portfolio, particularly because a component of the rent paid to GLPI is based, over time, on the performance of the gaming facilities operated by GLPI s tenants on its properties.

Moreover, the operations of the facilities on GLPI s properties are subject to disruptions or reduced patronage as a result of severe weather conditions, natural disasters and other casualty events. Because many of the facilities are located on or adjacent to bodies of water, they are subject to risks in addition to those associated with land-based facilities, including loss of service due to casualty, forces of nature, mechanical failure, extended or extraordinary maintenance, flood, hurricane or other severe weather conditions. Because a component of the rent paid to GLPI is based, over time, on the performance of the gaming facilities operated by GLPI s tenants a casualty that leads to the loss of use of a casino facility for an extended period may negatively affect GLPI s revenues.

GLPI will be significantly dependent on two tenants and their respective subsidiaries until GLPI substantially diversifies its portfolio, and an event that has a material and adverse effect on either tenant s respective business, financial position or results of operations could have a material and adverse effect on GLPI s business, financial position or results of operations.

Following completion of the merger, substantially all of GLPI s revenue will be based on the revenue derived under the master leases with Pinnacle and Penn. Because these master leases are triple-net leases, GLPI will depend on Pinnacle and Penn to pay all insurance, taxes, utilities and maintenance and repair expenses in connection with these leased properties and to indemnify, defend and hold GLPI harmless from and against various claims, litigation and liabilities arising in connection with their businesses. There can be no assurance that either Pinnacle or Penn will have sufficient assets, income or access to financing to enable them to satisfy their payment obligations under the master leases. The inability or unwillingness of either Pinnacle or Penn to meet their subsidiaries rent obligations and other obligations under the master leases, in each case, could materially and adversely affect GLPI s business, financial position or results of operations, including GLPI s ability to pay dividends to its shareholders as required to maintain its status as a REIT.

Due to GLPI s dependence on rental payments from Pinnacle and Penn (and their respective subsidiaries) as GLPI s primary source of revenue, GLPI may be limited in its ability to enforce its rights under the master leases or to terminate the master leases with respect to any particular property. Failure by Pinnacle or Penn to comply with the terms of their respective master leases or to comply with the gaming regulations to which the leased properties are subject could require GLPI to find another lessee for such leased property and there could be a decrease or cessation of rental payments by either Pinnacle or Penn, as the case may be. In such event, GLPI may be unable to locate a suitable lessee at similar rental rates or at all, which would have the effect of reducing GLPI s rental revenues.

Under the separation agreement, Pinnacle will have to indemnify GLPI for certain liabilities. However, there can be no assurance that these indemnities will be sufficient to insure GLPI against the full amount of such liabilities, or that Pinnacle s ability to satisfy its indemnification obligation will not be impaired in the future.

Under the separation agreement, Pinnacle will agree to indemnify GLPI for certain liabilities. However, third parties could seek to hold GLPI responsible for any of the liabilities that Pinnacle will agree to retain, and there can be no assurance that Pinnacle will be able to fully satisfy its indemnification obligations. Even if GLPI ultimately succeeds in recovering from Pinnacle any amounts for which GLPI is held liable, GLPI may be temporarily required to bear these losses while seeking recovery from Pinnacle.

GLPI has a material amount of indebtedness that involves debt service obligations, exposes GLPI to interest rate fluctuations and exposes GLPI to the risk of default under its debt obligations and GLPI expects to incur more indebtedness in connection with the transactions contemplated by the merger agreement.

GLPI has a material amount of indebtedness and debt service requirements. As of September 30, 2015 GLPI had approximately $2.5 billion in long-term indebtedness, consisting of:

- approximately $490 million of total indebtedness outstanding under GLPI s $1 billion senior unsecured credit facility (including $0.9 million of contingent obligations under letters of credit);
- $2.05 billion of outstanding unsecured senior notes; and
- approximately $1.41 million capital lease obligation related to certain assets.

In addition, GLPI expects to incur more indebtedness in connection with the transactions. GLPI s material indebtedness could have important consequences to you, including the following:

- it may limit GLPI s ability to obtain additional debt or equity financing for working capital, capital expenditures, acquisitions, debt service requirements and general corporate or other purposes;
- a material portion of GLPI s cash flows will be dedicated to the payment of principal and interest on GLPI s indebtedness, including indebtedness it may incur in the future, and will not be available for other purposes, including to pay dividends and make acquisitions;
- it could limit GLPI s flexibility in planning for, or reacting to, changes in its business and the industry in which it operates and place GLPI at a competitive disadvantage compared to its competitors that have less debt or are less leveraged;
- it could make GLPI more vulnerable to downturns in general economic or industry conditions or in GLPI s business, or prevent GLPI from carrying out activities that are important to its growth;
- it could increase GLPI s interest expense if interest rates in general increase because GLPI s indebtedness under the senior unsecured credit facility bears interest at floating rates;

- it could limit GLPI s ability to take advantage of strategic business opportunities; and

- it could make it more difficult for GLPI to satisfy its obligations with respect to its indebtedness, including under the notes, and any failure to comply with the obligations of any of GLPI s debt instruments, including any financial and other restrictive covenants, could result in an event of default under the indenture governing the notes or under the agreements governing GLPI s other indebtedness which, if not cured or waived, could result in the acceleration of GLPI s indebtedness under the senior credit facility and under the notes.

GLPI cannot assure you that its business will generate sufficient cash flow from operations, or that future borrowings will be available to GLPI under its senior unsecured credit facility or from other debt financing, in an amount sufficient to enable GLPI to pay its indebtedness, including the notes, or to fund its other liquidity needs. If GLPI does not generate sufficient cash flow from operations to satisfy its debt service obligations, including payments on the notes, GLPI may have to undertake alternative financing plans, such as refinancing or restructuring its indebtedness, selling assets or seeking to raise additional capital, including by issuing equity securities or securities convertible into equity securities. GLPI s ability to restructure or refinance its indebtedness will depend on the capital markets and its financial condition at such time. Any refinancing of GLPI s indebtedness could be at higher interest rates and may require GLPI to comply with more onerous covenants, which could further restrict its business operations. GLPI s inability to generate sufficient cash flow to satisfy its debt service requirements, including the inability to service the notes, or to refinance its obligations

45

on commercially reasonable terms, would have an adverse effect, which could be material, on its business, financial position and results of operations, as well as on GLPI s ability to satisfy its obligations in respect of the notes. To the extent that GLPI will incur additional indebtedness or such other obligations, the risks associated with GLPI s leverage, including its possible inability to service its debt, would increase.

Adverse changes in GLPI s credit rating may affect GLPI s borrowing capacity and borrowing terms.

GLPI s outstanding debt is periodically rated by nationally recognized credit rating agencies. The credit ratings are based upon GLPI s operating performance, liquidity and leverage ratios, overall financial position, and other factors viewed by the credit rating agencies as relevant to both GLPI s industry and the economic outlook. GLPI s credit rating may affect the amount of capital GLPI can access, as well as the terms of any financing GLPI obtains. Because GLPI relies in part on debt financing to fund growth, adverse changes in GLPI s credit rating may have a negative effect on GLPI s future growth.

If GLPI cannot obtain additional capital, GLPI s growth may be limited.

In order to qualify and maintain GLPI s qualification as a REIT each year, GLPI is required to distribute at least 90% of GLPI s REIT taxable income, excluding net capital gains, to GLPI s shareholders. As a result, GLPI s retained earnings available to fund acquisitions, development, or other capital expenditures are nominal, and GLPI relies upon the availability of additional debt or equity capital to fund these activities. GLPI s long-term ability to grow through acquisitions or development, which is an important component of GLPI s strategy, will be limited if GLPI cannot obtain additional debt financing or raise equity capital. Market conditions may make it difficult to obtain debt financing or raise equity capital, and GLPI cannot assure you that GLPI will be able to obtain additional debt or equity financing or that GLPI will be able to obtain such capital on favorable terms.

After the merger is completed, Pinnacle stockholders will become shareholders of a Pennsylvania corporation and have their rights as shareholders governed by GLPI s organizational documents and Pennsylvania law.

Upon consummation of the merger, Pinnacle stockholders will receive GLPI common stock that will be governed by GLPI s organizational documents and the PBCL. For a detailed discussion of the differences between rights as a stockholders of Pinnacle and rights as a shareholder of GLPI, see Comparison of Rights of Common Shareholders of GLPI and Common Stockholders of Pinnacle.

GLPI is expected to incur substantial expenses related to the completion of the transactions.

The combined company is expected to incur substantial expenses in connection with the completion of the transactions. While GLPI and Pinnacle have assumed that a certain level of expenses would be incurred, there are many factors beyond their control that could affect the total amount or the timing of the expenses.

Other Risk Factors of GLPI and Pinnacle

GLPI s and Pinnacle s businesses are and will be subject to the risks described above. In addition, GLPI and Pinnacle are, and will continue to be subject to the risks described in GLPI s and Pinnacle s Annual Reports on Form 10-K (including, in the case of GLPI, Amendment No. 1 thereto on Form 10-K/A) for the fiscal year ended December 31, 2014, as updated by subsequent Quarterly Reports on Form 10-Q (including, in the case of GLPI, amendments thereto on Form 10-Q/A for the periods ended March 31, 2015 and June 30, 2015) and Current Reports on Form 8-K, all of which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. The risks described above and in those filings represent all known material risks with respect to GLPI s and Pinnacle s businesses. See Where You Can Find More Information for the location of information incorporated by reference into this joint proxy statement/prospectus.

Table of Contents

INFORMATION ABOUT GLPI

Gaming and Leisure Properties, Inc.

On November 15, 2012, Penn announced that it intended to pursue a plan to separate the majority of its operating assets and real property assets into two publicly traded companies including an operating entity, and, through a tax-free spin-off of its real estate assets to holders of its common and preferred stock, a newly formed publicly traded REIT, GLPI (referred to previously in this joint proxy statement/prospectus as the Penn spin-off). In connection with the Penn spin-off, which was completed on November 1, 2013, Penn contributed to GLPI through a series of internal corporate restructurings substantially all of the assets and liabilities associated with Penn s real property interests and real estate development business, as well as the assets and liabilities of the TRS properties in a tax-free distribution. As a result of the Penn spin-off, GLPI acquired substantially all of Penn s former real property assets and leased back most of those assets to Penn for use by its subsidiaries, pursuant to the Penn master lease. Triple-net leases are leases in which the lessee pays rent to the lessor, as well as all taxes, insurance, and maintenance expenses that arise from the use of the property and are referred to as triple-net leases in this joint proxy statement/prospectus.

Following the Penn spin-off, GLPI became a self-administered and self-managed Pennsylvania REIT. GLPI s primary business consists of acquiring, financing, and owning real estate property to be leased to gaming operators in triple-net lease arrangements. As of September 30, 2015, GLPI s portfolio consisted of 21 gaming and related facilities including the TRS properties, which GLPI operates through an indirect wholly owned subsidiary and the real property associated with 18 gaming and related facilities operated by Penn under the Penn master lease and the real property associated with the Casino Queen in East St. Louis, Illinois. These facilities are geographically diversified across 12 states and contain approximately 7.0 million of rentable square feet.

Shares of GLPI Common Stock are Traded on NASDAQ under the Symbol GLPI

The principal executive offices of GLPI are located at 845 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania 19610, and its telephone number is (610) 401-2900. Additional information about GLPI and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See Where You Can Find More Information.

Gold Merger Sub, LLC

Gold Merger Sub, LLC, a Delaware limited liability company (referred to previously in this joint proxy statement/prospectus as Merger Sub) is a direct, wholly owned subsidiary of GLPI. Merger Sub was formed by GLPI solely in contemplation of the transactions, has not conducted any business and has no assets, liabilities or other obligations of any nature other than as set forth in the merger agreement. Its principal executive offices are located at c/o Gaming and Leisure Properties, Inc., 845 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania and its telephone number is (610) 401-2900.

Table of Contents

INFORMATION ABOUT PINNACLE

Pinnacle Entertainment, Inc.

Pinnacle is an owner, operator and developer of casinos, a racetrack and related hospitality and entertainment facilities. Pinnacle owns and operates 15 gaming facilities in Colorado, Indiana, Iowa, Louisiana, Missouri, Mississippi, Nevada and Ohio, of which fourteen will be subject to the master lease. Pinnacle also holds a majority interest in the racing license owner, and Pinnacle is a party to a management contract, for Retama Park Racetrack located outside of San Antonio, Texas. In addition to these properties, Pinnacle owns and operates a live and televised poker tournament series under the trade name Heartland Poker Tour.

Pinnacle s mission is to increase stockholder value. Pinnacle seeks to increase revenues through enhancing the guest experience by providing its guests with their favorite games, restaurants, hotel accommodations, entertainment and other amenities in attractive surroundings with high-quality guest service and guest rewards programs. Pinnacle seeks to improve profit by focusing on operational excellence and efficiency while meeting its guests expectations of value and reducing its leverage. Pinnacle s long-term strategy includes disciplined capital expenditures to improve and maintain its existing properties, while growing the number and quality of its facilities by pursuing gaming entertainment opportunities it can improve, develop, or acquire. In making decisions, Pinnacle considers its stockholders, guests, team members and other constituents in the communities in which it operates.

Additional information about Pinnacle and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See Where You Can Find More Information.

Shares of Pinnacle Common Stock are Traded on NASDAQ under the symbol PNK

The principal executive offices of Pinnacle are located at 3980 Howard Hughes Parkway, Las Vegas, Nevada 89169, and its telephone number is (702) 541-7777. Additional information about Pinnacle and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See Where You Can Find More Information.

PNK Entertainment, Inc.

PNK Entertainment, Inc. (referred to previously in this joint proxy statement/prospectus as OpCo) is a Delaware corporation and a direct, wholly owned subsidiary of Pinnacle, formed on July 23, 2015 for the purpose of effecting the separation of Pinnacle s real estate (except the Belterra Park property and excess land at certain locations) from its operations and spin-off of its operations into an independent publicly-traded company. Immediately following the closing of the merger, OpCo will be renamed Pinnacle Entertainment, Inc.

Table of Contents

GLPI SPECIAL MEETING

General

This joint proxy statement/prospectus is being provided to GLPI shareholders as part of a solicitation of proxies by the board of directors of GLPI for use at the GLPI special meeting and at any adjournments or postponements of such special meeting. This joint proxy statement/prospectus provides GLPI shareholders with important information about the GLPI special meeting and should be read carefully in its entirety.

Date, Time and Place of the GLPI Special Meeting

The GLPI special meeting will be held on [ ], 2016 at the offices of Kozloff Stoudt, 2640 Westview Drive, Wyomissing, Pennsylvania 19610, at 10 a.m., local time.

Purposes of the GLPI Special Meeting

The GLPI special meeting is being held to consider and vote upon the following proposals:

Proposal 1: to approve the issuance of shares of GLPI common stock to Pinnacle stockholders in connection with the merger, referred to previously as the share issuance proposal; and

Proposal 2: to approve the adjournment of the GLPI special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance proposal, referred to previously as the GLPI adjournment proposal.

Recommendation of GLPI s Board of Directors

The board of directors of GLPI recommends that the GLPI shareholders vote:

***Proposal 1*: FOR the approval of the share issuance proposal; and**

***Proposal 2*: FOR the GLPI adjournment proposal.**

GLPI s board of directors unanimously determined that it is in the best interests of GLPI and its shareholders, and declared it advisable, to enter into the merger agreement, and approved the execution, delivery and performance of the merger agreement and the consummation of the transactions contemplated by the merger agreement, including the share issuance proposal. GLPI s board of directors recommends that GLPI shareholders vote FOR the share issuance proposal and FOR the GLPI adjournment proposal. See The Merger Recommendation of GLPI s Board of Directors and Reasons for the Merger.

This joint proxy statement/prospectus contains important information regarding these proposals and factors that GLPI shareholders should consider when deciding how to cast their votes. GLPI shareholders are encouraged to read the entire document carefully, including the annexes to and documents incorporated by reference into this document, for more detailed information regarding the merger agreement and the transactions contemplated by the merger agreement, including the share issuance proposal.

Attendance at the GLPI Special Meeting

Only GLPI shareholders of record as of the close of business on the record date, beneficial owners as of the close of business on the record date, holders of valid proxies for the special meeting and invited guests of GLPI may attend the special meeting.

Table of Contents

All attendees should be prepared to present government-issued photo identification (such as a driver s license or passport) for admittance. The additional items, if any, that attendees must bring depend on whether they are shareholders of record, beneficial owners or proxy holders.

- A GLPI shareholder who holds shares directly registered in such shareholder s name with GLPI s transfer agent, Continental Stock Transfer & Trust (a shareholder of record), who wishes to attend the special meeting in person should bring government-issued photo identification.

- A shareholder who holds shares in street name through a broker, bank, trustee or other nominee (a beneficial owner) who wishes to attend the special meeting in person should bring:

  - government-issued photo identification; and

  - proof of beneficial ownership as of the record date (e.g., a letter from the broker, bank, trustee or other nominee that is the record owner of such beneficial owner s shares, a brokerage account statement or the voting instruction form provided by the broker).

- A person who holds a validly executed proxy entitling such person to vote on behalf of a record owner of GLPI shares (a proxy holder) who wishes to attend the special meeting in person should bring:

  - government-issued photo identification;

  - the validly executed proxy naming such person as the proxy holder, signed by the GLPI shareholder; and

  - proof of the signing shareholder s record ownership as of the record date.

No cameras, recording equipment or other electronic devices will be allowed in the meeting room. Failure to provide the requested documents at the door or failure to comply with the procedures for the special meeting may prevent shareholders from being admitted to the GLPI special meeting.

Record Date

The record date for the determination of shareholders entitled to notice of and to vote at the GLPI special meeting is the close of business on February 8, 2016. Only GLPI shareholders who held shares of record at the close of business on February 8, 2016 are entitled to vote at the special meeting and any adjournment or postponement of the special meeting, so long as such shares remain outstanding on the date of the special meeting.

Outstanding Shares as of Record Date

As of the close of business on the record date, there were 117,265,314 shares of GLPI common stock outstanding, held by 521 holders of record (in each case, including restricted shares entitled to vote), and no shares of GLPI preferred stock outstanding. Each share of GLPI common stock entitles its holder of record to one vote at the GLPI special meeting. GLPI common stock is the only class of stock entitled to vote at the special meeting, and holders of GLPI common stock are entitled to vote on each proposal presented.

A complete list of registered GLPI shareholders entitled to vote at the GLPI special meeting will be available for inspection at the principal place of business of GLPI at 845 Berkshire Blvd., Suite 200, Wyomissing, PA 19610, during regular business hours for a period of no less than 10 days before the special meeting and at the place of the GLPI special meeting during the meeting.

Shareholder Voting Agreements with Pinnacle

Concurrently with the execution of the merger agreement, Pinnacle entered into voting agreements with certain shareholders of GLPI, including (1) the Carlino Group, which collectively beneficially owns approximately 12% of GLPI s outstanding shares (excluding shares beneficially owned in respect of vested options that are not currently capable of being voted) and (2) the Fortress Group, which collectively beneficially owns approximately 9% of GLPI s outstanding shares. The voting agreements generally require, subject to certain exceptions, such shareholders to vote all of the shares of GLPI common stock beneficially owned by them and capable of being voted in favor of adoption of the share issuance proposal and certain related matters as applicable and against matters that would reasonably be expected to prevent, impede, materially delay or materially impair the ability of GLPI to consummate the merger.

Quorum

In order for business to be conducted at the special meeting, a quorum must be present. A quorum requires the presence, in person or by proxy, of holders of a majority of the issued and outstanding shares of GLPI common stock entitled to vote at the special meeting. For purposes of determining whether there is a quorum, all shares that are present, including abstentions and broker non-votes (only when accompanied by broker votes with respect to at least one matter at the meeting), will count towards the quorum. Broker non-votes occur when a beneficial owner holding shares in street name does not instruct the broker, bank or other nominee that is the record owner of such shareholder s shares on how to vote those shares on a particular proposal.

Vote Required

The votes required for each proposal are as follows:

Proposal 1 the share issuance proposal. The affirmative vote, in person or by proxy, of a majority of the votes cast on the share issuance proposal by the holders of shares of GLPI common stock is required to approve the proposal. The required vote on the share issuance proposal is based on the number of shares voted not the number of shares outstanding. Abstentions are treated as votes cast and, as a result, any abstention from voting by a GLPI shareholder will have the same effect as a vote against the share issuance proposal. The failure of any GLPI shareholder to submit a vote (*i.e.*, not submitting a proxy and not voting in person) will not be counted in determining the votes cast in connection with the share issuance proposal. Because the share issuance proposal is non-routine, brokers, banks and other nominees do not have discretionary authority to vote on the share issuance proposal and will not be able to vote on the share issuance proposal absent instructions from the beneficial owner. As a result, the failure of a beneficial owner to provide voting instructions to its broker, bank or other nominee will have the effect of not being counted in determining the votes cast in connection with the share issuance proposal.

Proposal 2 the GLPI adjournment proposal. The affirmative vote, in person or by proxy, of a majority of the votes cast on the GLPI adjournment proposal by the holders of shares of GLPI common stock is required to approve the proposal. The required vote on the GLPI adjournment proposal is based on the number of shares voted not the number of shares outstanding. Abstentions are treated as votes cast and, as a result, any abstention from voting by a GLPI shareholder will have the same effect as a vote against the GLPI adjournment proposal. The failure of any GLPI shareholder to submit a vote (*i.e.*, not submitting a proxy and not voting in person) will not be counted in determining the votes cast in connection with the GLPI adjournment proposal. Because the GLPI adjournment proposal is non-routine, brokers, banks and other nominees do not have discretionary authority to vote on the GLPI adjournment proposal and will not be able to vote on the GLPI adjournment proposal absent instructions from the beneficial owner. As a result, the failure of a beneficial owner to provide voting instructions to its broker, bank or other nominee will have the effect of not being counted in determining the votes cast in connection with the GLPI adjournment proposal.

How to Vote

GLPI shareholders as of the record date may have their shares voted by submitting a proxy or may vote in person at the special meeting by following the instructions provided on the enclosed proxy card. GLPI recommends that GLPI shareholders entitled to vote submit a proxy even if they plan to attend the special meeting.

Table of Contents

GLPI shareholders who hold their shares beneficially in street name and wish to submit a proxy must provide instructions to the broker, bank, trustee or other nominee that holds their shares of record as to how to vote their shares with respect to Proposals 1 and 2. GLPI shareholders who hold their shares beneficially and wish to vote in person at the special meeting must obtain proxies issued in their own names (known as a legal proxy).

GLPI shareholders of record may submit a proxy in one of three ways or vote in person at the special meeting:

Internet: GLPI shareholders may submit their proxy over the Internet at the web address shown on their proxy card. Internet voting is available 24 hours a day and will be accessible until 11:59 p.m., Eastern Time, on [ ], 2016. Shareholders will be given an opportunity to confirm that their voting instructions have been properly recorded.

Telephone: GLPI shareholders may submit their proxy by calling the toll-free telephone number shown on their proxy card. Telephone voting is available 24 hours a day and will be accessible until 11:59 p.m., Eastern Time, on [ ], 2016. Easy-to-follow voice prompts will guide shareholders through the voting and allow them to confirm that their instructions have been properly recorded.

Mail: GLPI shareholders may submit their proxy by properly completing, signing, dating and mailing their proxy card in the postage-paid envelope (if mailed in the United States) included with this joint proxy statement/prospectus. GLPI shareholders who vote this way should mail the proxy card early enough so that it is received before the date of the special meeting.

In Person: GLPI shareholders may vote in person at the special meeting or by sending a representative with an acceptable proxy that has been signed and dated. Attendance at the special meeting will not, however, in and of itself constitute a vote or a revocation of a prior proxy.

GLPI shareholders are encouraged to submit a proxy promptly. Each valid proxy received in time will be voted at the special meeting according to the choice specified, if any. Executed but uninstructed proxies (*i.e.*, proxies that are properly signed, dated and returned but are not marked to tell the proxies how to vote) will be voted in accordance with the recommendations of GLPI s board of directors.

Proxies and Revocation

GLPI shareholders of record may revoke their proxies at any time before their shares are voted at the GLPI special meeting in any of the following ways:

sending a written notice of revocation to GLPI at 845 Berkshire Blvd., Suite 200, Wyomissing, Pennsylvania, Attention: Corporate Secretary, which must be received before their shares are voted at the special meeting;

- properly submitting a new, later-dated proxy card, which must be received before their shares are voted at the special meeting (in which case only the later-dated proxy is counted and the earlier proxy is revoked);

- submitting a proxy via Internet or by telephone at a later date (in which case only the later-dated proxy is counted and the earlier proxy is revoked); or

- attending the GLPI special meeting and voting in person.

GLPI beneficial owners may change their voting instruction only by submitting new voting instructions to the brokers, banks or other nominees that hold their shares of record.

Judge of Election

The board of directors of GLPI has selected a representative of Ballard Spahr LLP to act as the judge of election at the GLPI special meeting.

Table of Contents

Solicitation of Proxies

GLPI will pay for the proxy solicitation costs related to the GLPI special meeting. In addition to sending and making available these materials, some of GLPI s directors, officers and other employees may solicit proxies by contacting GLPI shareholders by telephone, by mail, by e-mail or in person. GLPI shareholders may also be solicited by press releases issued by GLPI and/or Pinnacle, postings on GLPI s or Pinnacle s websites and advertisements in periodicals. None of GLPI s directors, officers or employees will receive any extra compensation for their solicitation services. GLPI has also retained MacKenzie Partners, Inc. to assist in the solicitation of proxies for an estimated fee of approximately $25,000, plus reasonable out-of-pocket expenses. GLPI will also reimburse brokers, banks and other nominees for their expenses in sending proxy solicitation materials to the beneficial owners of GLPI common stock and obtaining their proxies.

Adjournments

The GLPI special meeting may be adjourned in the absence of a quorum by the chairman of the meeting or the affirmative vote of holders of a majority of the GLPI shares present in person or represented by proxy at the special meeting and entitled to vote at the special meeting.

Even if a quorum is present, the GLPI special meeting could be adjourned in order to provide more time to solicit additional proxies in favor of approval of the share issuance proposal if a majority of votes are cast in favor of the GLPI adjournment proposal. If after the adjournment a new record date is set for the adjourned meeting, a notice of the adjourned meeting must be given to each shareholder of record entitled to vote at the special meeting.

No Dissenters Rights

Under the PBCL as well as the governing documents of GLPI, the shareholders of GLPI are not entitled to appraisal rights or dissenters rights in connection with the share issuance proposal.

Other Matters

At this time, GLPI knows of no other matters to be submitted at the GLPI special meeting.

Householding of Special Meeting Materials

Unless GLPI has received contrary instructions, GLPI may send a single copy of this joint prospectus/ proxy statement and notice to any household at which two or more shareholders reside if GLPI believes the shareholders are members of the same family. Each shareholder in the household will continue to receive a separate proxy card. This process, known as householding, reduces the volume of duplicate information received at your household and helps to reduce our expenses.

Questions and Additional Information

GLPI shareholders may contact GLPI s proxy solicitor, MacKenzie Partners, Inc., with any questions about the proposals or how to vote or to request additional copies of any materials at MacKenzie Partners, Inc., 105 Madison Avenue New York, NY 10016. Shareholders may call MacKenzie Partners Inc. collect at (212) 929-5500 or toll-free at (800) 322-2885.

53

Table of Contents

PINNACLE SPECIAL MEETING

General

This joint proxy statement/prospectus is being provided to Pinnacle stockholders as part of a solicitation of proxies by the board of directors of Pinnacle for use at the Pinnacle special meeting and at any adjournments or postponements of such special meeting. This joint proxy statement/prospectus provides Pinnacle stockholders with information about the Pinnacle special meeting and should be read carefully in its entirety.

Date, Time and Place of the Pinnacle Special Meeting

The Pinnacle special meeting will be held on [ ], 2016, beginning at 10:00 a.m., local time, at L Auberge Casino & Hotel Baton Rouge, 777 L Auberge Avenue, Baton Rouge, Louisiana 70820.

Purposes of the Pinnacle Special Meeting

The Pinnacle special meeting is being held to consider and vote upon the following proposals:

Proposal 1. to adopt the merger agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus, referred to previously as the merger agreement proposal;

Proposal 2. to approve, on a non-binding advisory basis, the compensation to be paid to Pinnacle s named executive officers that is based on or otherwise relates to the merger, referred to previously as the compensation proposal; and

Proposal 3. to vote to adjourn the Pinnacle special meeting, if necessary or appropriate, in the view of the Pinnacle board, to solicit additional proxies in favor of the merger proposal if there are not sufficient votes at the time of such adjournment to approve the merger agreement, referred to previously as the Pinnacle adjournment proposal.

Recommendation of Pinnacle s Board of Directors

The board of directors of Pinnacle recommends that the Pinnacle stockholders vote:

***Proposal 1*: FOR the merger agreement proposal;**

***Proposal 2*: FOR the compensation proposal; and**

***Proposal 3:* FOR the Pinnacle adjournment proposal.**

Pinnacle s board of directors unanimously determined that it is advisable and in the best interests of Pinnacle s stockholders to enter into the merger agreement, and unanimously approved the merger agreement and the

transactions contemplated by the merger agreement, including the merger, and resolved to recommend adoption of the merger agreement by Pinnacle s stockholders and that the adoption of the merger agreement be submitted to a vote at a meeting of Pinnacle s stockholders.

In considering the recommendations of Pinnacle s board of directors, Pinnacle stockholders should be aware that some of Pinnacle s directors and executive officers may have interests that are different from, or in addition to, the interests of Pinnacle stockholders more generally. For more information see the section titled The Merger Interests of Certain Pinnacle Persons in the Merger.

Table of Contents

Section 14A of the Exchange Act, which was enacted as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, requires that Pinnacle provides its shareholders with the opportunity to vote to approve, on an advisory non-binding basis, the payment of certain compensation that will or may become payable by Pinnacle to its named executive officers in connection with the merger:

RESOLVED, that the stockholders of Pinnacle Entertainment, Inc. approve, on a nonbinding, advisory basis, the compensation that will or may become payable to Pinnacle s named executive officers that is based on or otherwise relates to the merger as disclosed pursuant to Item 402(t) of Regulation S-K.

Pinnacle stockholders should note that the compensation proposal is merely an advisory vote which will not be binding on Pinnacle, GLPI or their respective board of directors. Further, the underlying plans and arrangements are contractual in nature and not, by their terms, subject to stockholder approval. Accordingly, regardless of the outcome of the advisory vote, if the merger is consummated, the eligibility of the Pinnacle named executive officers for such payments and benefits will not be affected by the outcome of the advisory vote.

This joint proxy statement/prospectus contains important information regarding these proposals and factors that Pinnacle stockholders should consider when deciding how to cast their votes. Pinnacle stockholders are encouraged to read the entire document carefully, including the annexes to and documents incorporated by reference into this document, for more detailed information regarding the merger agreement and the merger and other transactions contemplated by the merger agreement, including the spin-off and the merger.

Attendance at the Pinnacle Special Meeting

Only Pinnacle stockholders of record as of the record date, beneficial owners as of the record date, holders of valid proxies for the special meeting and invited guests of Pinnacle may attend the Pinnacle special meeting.

All attendees should be prepared to present government-issued photo identification (such as a driver s license or passport) for admittance. The additional items, if any, that attendees must bring depend on whether they are stockholders of record, beneficial owners or proxy holders.

- A Pinnacle stockholder who holds shares directly registered in such stockholder s name with Pinnacle s transfer agent, American Stock Transfer and Trust Company, LLC (a stockholder of record), who wishes to attend the Pinnacle special meeting in person should bring government-issued photo identification.

- A beneficial owner of Pinnacle common stock who wishes to attend the Pinnacle special meeting in person should bring:

  - government-issued photo identification; and

  - proof of beneficial ownership as of the record date (*e.g.,* a letter from the broker, bank, trustee or other nominee that is the record owner of such beneficial owner s shares, a brokerage account statement or the voting instruction form provided by the broker).

A proxy holder who wishes to attend the Pinnacle special meeting in person should bring:

- government-issued photo identification;
- the validly executed proxy naming such person as the proxy holder, signed by the Pinnacle stockholder; and
- proof of the signing stockholder s record ownership as of the record date.

No cameras, recording equipment or other electronic devices will be allowed in the meeting room. Failure to provide the requested documents at the door or failure to comply with the procedures for the special meeting may prevent stockholders from being admitted to the Pinnacle special meeting.

Table of Contents

Pinnacle is able to provide reasonable assistance to help persons with disabilities participate in the special meeting if Pinnacle is notified in writing in advance of requested accommodations. Please write to Pinnacle s principal executive offices at 3980 Howard Hughes Parkway, Las Vegas, Nevada 89169, Attention: Corporate Secretary.

Record Date

The record date for the determination of stockholders entitled to notice of and to vote at the Pinnacle special meeting is February 8, 2016. Only Pinnacle stockholders who held shares of record at the close of business on February 8, 2016 are entitled to vote at the Pinnacle special meeting and any adjournment or postponement of the Pinnacle special meeting, as long as such shares remain outstanding on the date of the Pinnacle special meeting.

Outstanding Shares as of Record Date

As of the close of business on the record date, there were 61,074,913 shares of Pinnacle common stock outstanding, held by 1,796 holders of record. Each share entitles its holder of record to one vote at the Pinnacle special meeting. Pinnacle common stock is the only class of stock entitled to vote, and holders of Pinnacle common stock are entitled to vote on each proposal presented at the Pinnacle special meeting.

A complete list of registered Pinnacle stockholders entitled to vote at the Pinnacle special meeting will be available for inspection at the principal place of business of Pinnacle at 3980 Howard Hughes Parkway, Las Vegas, Nevada 89169, during regular business hours for a period of no less than 10 days before the special meeting and at the place of the Pinnacle special meeting during the meeting.

Quorum

In order for business to be conducted at the Pinnacle special meeting, a quorum must be present. A quorum requires the presence, in person or by proxy, of holders of a majority of voting power of all the shares of stock entitled to vote at the Pinnacle special meeting. For purposes of determining whether there is a quorum, all shares that are present will count towards the quorum, which includes abstentions but excludes broker non-votes. Broker non-votes occur when a beneficial owner holding shares in street name does not instruct the broker, bank or other nominee that is the record owner of such stockholder s shares on how to vote those shares on a particular proposal.

Vote Required

The votes required for each proposal are as follows:

Proposal 1 the merger agreement proposal. The affirmative vote, in person or by proxy, of holders of a majority of the outstanding shares of Pinnacle common stock is required to adopt the merger agreement proposal. The required vote on Proposal 1 is based on the number of outstanding shares not the number of shares actually voted. The failure of any Pinnacle stockholder to submit a vote (*i.e.*, not submitting a proxy and not voting in person) and any abstention from voting by a Pinnacle stockholder will have the same effect as a vote against the merger agreement proposal. Because the merger agreement proposal 1 is non-routine, brokers, banks and other nominees do not have discretionary authority to vote on the merger agreement proposal, and will not be able to vote on the merger agreement proposal absent instructions from the beneficial owner. As a result, a broker non-vote will have the same effect as a vote against the merger agreement proposal.

Proposal 2 the compensation proposal. The affirmative vote, in person or by proxy, of a majority of the votes cast on the compensation proposal by the holders of shares of Pinnacle common stock is required to approve the proposal.

The required vote on the compensation proposal is based on the number of shares present not the number of outstanding shares. Abstentions from voting by a Pinnacle stockholder will have no effect on the outcome on the compensation proposal. The failure of any Pinnacle stockholder to submit a vote (*i.e.*, not submitting a proxy and not voting in person) will have no effect on the outcome of the compensation proposal. Brokers, banks and other nominees do not have discretionary authority to vote on the compensation proposal and will not be able to vote on compensation proposal. Broker non-votes will have no effect on the outcome of the compensation proposal. While Pinnacle s board of directors intends to consider the vote resulting from this proposal, the vote is advisory only and therefore not binding on Pinnacle or GLPI, and, if the proposed merger with GLPI is approved by Pinnacle stockholders and consummated, the compensation will be payable even if the compensation proposal is not approved.

Proposal 3 the Pinnacle adjournment proposal. The affirmative vote, in person or by proxy, of a majority of the votes cast on the Pinnacle adjournment proposal by the holders of shares of Pinnacle common stock is required to approve the proposal. The required vote on the Pinnacle adjournment proposal is based on the number of shares present not the number of outstanding shares. Abstentions from voting by a Pinnacle stockholder will have no effect on the outcome on the Pinnacle adjournment proposal. The failure of any Pinnacle stockholder to submit a vote *(i.e.,* not submitting a proxy and not voting in person) will have no effect on the outcome of the Pinnacle adjournment proposal. Brokers, banks and other nominees do not have discretionary authority to vote on Proposal 3 and will not be able to vote Proposal 3 absent instructions from the beneficial owner. Broker non-votes will have no effect on the outcome of the adjournment proposal.

How to Vote

Pinnacle stockholders as of the close of business on the record date may have their shares voted by submitting a proxy or may vote in person at the Pinnacle special meeting by following the instructions provided on the enclosed proxy card. Pinnacle recommends that Pinnacle stockholders entitled to vote submit a proxy even if they plan to attend the special meeting.

Pinnacle stockholders who hold their shares beneficially in street name and wish to submit a proxy must provide instructions to the broker, bank, trustee or other nominee that holds their shares of record as to how to vote their shares with respect to Proposals 1, 2 and 3. Pinnacle stockholders who hold their shares beneficially and wish to vote in person at the special meeting must obtain a legal proxy.

Pinnacle stockholders of record may submit a proxy in one of three ways or vote in person at the Pinnacle special meeting:

Internet: Pinnacle stockholders may submit their proxy over the Internet at the web address shown on their proxy card. Internet voting is available 24 hours a day and will be accessible until [ ], on [ ], 2016. Stockholders will be given an opportunity to confirm that their voting instructions have been properly recorded. Pinnacle stockholders who submit a proxy this way should NOT send in their proxy card.

Telephone: Pinnacle stockholders may submit their proxy by calling the toll-free telephone number shown on their proxy card. Telephone voting is available 24 hours a day and will be accessible until [ ], on [ ]. Pinnacle stockholders who submit a proxy this way should NOT send in their proxy card.

Mail: Pinnacle stockholders may submit their proxy by properly completing, signing, dating and mailing their proxy card in the postage-paid envelope (if mailed in the United States) included with this joint proxy statement/prospectus. Pinnacle stockholders who vote this way should mail the proxy card early enough so that it is received before the date of the special meeting.

In Person: Pinnacle stockholders may vote in person at the special meeting or by sending a representative with an acceptable proxy that has been signed and dated. Attendance at the special meeting will not, however, in and of itself constitute a vote or a revocation of a prior proxy.

Table of Contents

Pinnacle stockholders are encouraged to submit a proxy promptly. Each valid proxy received in time will be voted at the special meeting according to the choice specified, if any. Executed but uninstructed proxies (*i.e.*, proxies that are properly signed, dated and returned but are not marked to tell the proxies how to vote) will be voted in accordance with the recommendations of Pinnacle s board of directors.

Proxies and Revocation

Pinnacle stockholders of record may revoke their proxies at any time before their shares are voted at the Pinnacle special meeting in any of the following ways:

- sending a written notice of revocation to Pinnacle at 3980 Howard Hughes Parkway, Las Vegas, Nevada 89169, Attention: Corporate Secretary, which must be received before their shares are voted at the special meeting;

- properly submitting a new, later-dated proxy card, which must be received before their shares are voted at the special meeting (in which case only the later-dated proxy is counted and the earlier proxy is revoked);

- submitting a proxy via Internet or by telephone at a later date (in which case only the later-dated proxy is counted and the earlier proxy is revoked); or

- attending the Pinnacle special meeting and voting in person. Attendance at the special meeting will not, however, in and of itself, constitute a vote or revocation of a prior proxy.

Pinnacle beneficial owners may change their voting instruction only by submitting new voting instructions to the brokers, banks or other nominees that hold their shares of record.

Inspector of Election

The board of directors of Pinnacle has appointed a representative of First Coast Results, Inc. to act as the inspector of election at the Pinnacle special meeting.

Solicitation of Proxies

Pinnacle will pay for the proxy solicitation costs related to the Pinnacle special meeting. In addition to sending and making available these materials, some of Pinnacle s directors, officers and other employees may solicit proxies by contacting Pinnacle stockholders by telephone, by mail, by e-mail or in person. Pinnacle stockholders may also be solicited by press releases issued by Pinnacle and/or GLPI, postings on Pinnacle s or GLPI s websites and advertisements in periodicals. None of Pinnacle s directors, officers or employees will receive any extra compensation for their solicitation services. Pinnacle has also retained D.F. King & Co., Inc. to assist in the solicitation of proxies for approximately $25,000, plus reasonable out-of-pocket expenses. Pinnacle will also reimburse brokers, banks and other nominees for their expenses in sending proxy solicitation materials to the beneficial owners of Pinnacle common stock and obtaining their proxies.

Adjournments

The Pinnacle special meeting may be adjourned in the absence of a quorum by the affirmative vote of holders of a majority of the Pinnacle shares having voting power present in person or represented by proxy at the special meeting.

Even if a quorum is present, the Pinnacle special meeting could also be adjourned in order to provide more time to solicit additional proxies in favor of adoption of the merger agreement if sufficient votes are cast in favor of Proposal 3.

Table of Contents

If the adjournment is for more than 30 days or if after the adjournment a new record date is set for the adjourned meeting, a notice of the adjourned meeting must be given to each stockholder of record entitled to vote at the special meeting.

No Appraisal Rights

Under the DGCL as well as the governing documents of Pinnacle, the stockholders of Pinnacle are not entitled to appraisal rights or dissenters rights in connection with the merger.

Other Matters

At this time, Pinnacle knows of no other matters to be submitted at the Pinnacle special meeting.

Householding of Special Meeting Materials

Unless Pinnacle has received contrary instructions, Pinnacle may send a single copy of this joint prospectus/proxy statement and notice to any household at which two or more stockholders reside if Pinnacle believes the stockholders are members of the same family. Each stockholder in the household will continue to receive a separate proxy card. This process, known as householding, reduces the volume of duplicate information received at your household and helps to reduce our expenses.

Questions and Additional Information

Pinnacle stockholders may contact Pinnacle s proxy solicitor, D.F. King & Co., Inc., with any questions about the proposals or how to vote or to request additional copies of any materials at 48 Wall Street, New York, NY 10005. Stockholders may call toll-free at 1-800-697-6975 or call collect at 1-212-269-5550.

Table of Contents

THE MERGER

This section of the joint proxy statement/prospectus describes the material aspects of the proposed merger. This section may not contain all of the information that is important to you. You should carefully read this entire proxy statement/prospectus and the documents incorporated by reference into this joint proxy statement/prospectus, including the full text of the merger agreement, a copy of which is attached to this joint proxy statement/prospectus as Annex A, for a more complete understanding of the proposed merger and the transactions related thereto. In addition, important business and financial information about each of GLPI and Pinnacle is included in or incorporated by reference into this joint proxy statement/prospectus and is included in the annexes hereto. See the section titled Where You Can Find More Information.

Effects of the Merger

On the closing date, before the effective time of the merger, Pinnacle will distribute to Pinnacle stockholders all of the issued and outstanding shares of common stock of OpCo, a newly formed wholly owned subsidiary of Pinnacle, containing Pinnacle s operating assets and certain other specified assets. Then, upon satisfaction or waiver of the conditions to closing, on the closing date, Pinnacle will merge with and into Merger Sub, a wholly owned subsidiary of GLPI formed for the purpose of effecting the merger. Merger Sub will be the surviving company in the merger. At the effective time of the merger, each share of Pinnacle common stock issued and outstanding immediately prior to the effective time of the merger will be converted into 0.85 shares of a share of GLPI common stock, with cash paid in lieu of the issuance of fractional shares of GLPI common stock. In addition, Pinnacle will take all actions as may be necessary so that at the effective time of the merger, each Pinnacle stock option, restricted stock unit (including phantom stock unit awards, restricted stock unit awards, other stock unit awards, performance share grants, director other stock unit awards, deferred shares and any other similar instruments) and cash performance unit will be treated as described in Interests of Certain Pinnacle Persons in the Merger.

Background of the Merger

GLPI is a self-administered and self-managed Pennsylvania REIT that was formed as part of the Penn spin-off. GLPI s primary business consists of acquiring, financing, and owning real estate property to be leased to gaming operators in triple-net lease arrangements, and GLPI s management has been seeking out and evaluating strategic acquisition opportunities since GLPI s inception. As part of this ongoing evaluation process, GLPI s management identified Pinnacle as a company with real estate assets that would fit into GLPI s growth strategy.

As part of its ongoing evaluation of Pinnacle s business, the Pinnacle board, together with senior management, regularly reviews opportunities to increase shareholder value. Pinnacle s long-term strategy has included disciplined capital expenditures to improve and maintain its existing properties, while growing the number and quality of its facilities by pursuing gaming entertainment opportunities it believes it can improve, develop, or acquire. In recent years, Pinnacle has focused on increasing shareholder value through, among other things, acquiring Ameristar Casinos, Inc. and successfully integrating its operations into Pinnacle s business, opening the Belterra Park Gaming and Entertainment Center property in Cincinnati, Ohio and a 150-room hotel at its Boomtown New Orleans Casino in New Orleans, Louisiana, expanding its River City Casino in St. Louis, completing the sales of its Ameristar Casino Lake Charles development and its ownership interests in its subsidiaries that operate the Lumiére Place Casino, HoteLumiere, the Four Seasons Hotel St. Louis, and related excess land parcels. In addition, Pinnacle regularly engages with its stockholders to understand their perspectives on the most effective ways to increase shareholder value.

Following Penn s announcement of the Penn spin-off on November 15, 2012, Pinnacle s management and board have considered the possibility of pursuing a separation of Pinnacle s real estate from its operating business. From time to time since the announcement of the Penn spin-off, Pinnacle stockholders have recommended that Pinnacle explore such a separation transaction. However, at that time, Pinnacle s focus had primarily been the successful integration of the Ameristar acquisition.

Table of Contents

In mid-2014, Pinnacle began to explore in greater detail the possibility of separating its real estate assets from its operating assets, and retained Goldman Sachs & Co. (Goldman Sachs) as its financial advisor and Skadden as its legal advisor in connection with such review.

At a meeting of the Pinnacle board of directors held on August 18, 2014, members of Pinnacle s management team, as well as representatives of Goldman Sachs and Skadden, reviewed with the Pinnacle board a preliminary assessment of the potential feasibility of such a separation transaction. At this meeting, the Pinnacle board of directors directed management to continue to work with Pinnacle s advisors to further assess the feasibility and desirability of pursuing a REIT separation transaction.

The Pinnacle board of directors met on October 7 and October 8, 2014 and received an update regarding the work being done by management and Pinnacle s financial and legal advisors regarding the possibility of pursuing a REIT separation transaction and other alternatives potentially available to Pinnacle. Representatives of Pinnacle s management, Goldman Sachs and Skadden were in attendance at the meeting. At this meeting, the Pinnacle board of directors received an update from management and Pinnacle s advisors on the potential REIT separation transaction. The Pinnacle board considered the assessment regarding the feasibility of implementing a REIT separation transaction and the additional analysis and work that would need to be performed to implement such a transaction and directed management to begin taking steps to effect the potential REIT separation transaction.

The Pinnacle board of directors met on October 27, 2014. Representatives of Pinnacle s management, Goldman Sachs and Skadden were in attendance at the meeting. At this meeting, the Pinnacle board received an update from management and Pinnacle s advisors on the potential REIT separation transaction and discussed the possible adoption of a stockholder rights plan to help maintain the ability to pursue a REIT separation transaction (which rights plan was subsequently adopted).

On November 6, 2014, Pinnacle announced that the Pinnacle board had approved a plan to pursue a separation of Pinnacle s operating assets and its real estate assets into two publicly traded companies (the REIT Separation Plan) through the creation of a newly formed, publicly traded REIT that would be distributed to Pinnacle stockholders in a tax-free spin-off, with Pinnacle remaining an operating entity following the transaction. In its announcement, Pinnacle noted that while it had conducted substantial analysis of the feasibility of implementing the REIT Separation Plan, a significant amount of work remained to be completed, with a number of hurdles to be cleared to complete the transaction, including: receipt of a favorable private letter ruling from the Internal Revenue Service; identification and appointment of senior executive leadership of the newly formed REIT; negotiation and execution of a master lease agreement between the newly formed REIT and the operating company, as well as other separation arrangements; gaming regulatory approvals; SEC filings related to the REIT Separation Plan; and debt financing transactions. Pinnacle also noted that it intended to pursue equity financing of approximately $1 billion to reduce its balance sheet leverage and for general corporate purposes.

In the months that followed, Pinnacle progressed the REIT Separation Plan, including by submitting a private letter ruling request to the Internal Revenue Service on December 19, 2014, developing plans with respect to the proposed financing in connection with such transaction and formulating a plan to separate Pinnacle s operating assets from its real estate assets.

The GLPI board of directors met on November 18, 2014, with representatives of GLPI s management in attendance. At this meeting, members of GLPI management discussed with the GLPI board of directors management s analysis of Pinnacle s REIT Separation Plan based on public information. The GLPI board of directors and management also discussed the potential opportunity for GLPI to create value for GLPI while also providing enhanced value and certainty to Pinnacle s stockholders relative to the REIT Separation Plan by pursuing a strategic transaction between

GLPI and Pinnacle involving the acquisition of Pinnacle s real estate assets by GLPI. The GLPI board of directors instructed management to continue evaluating a potential transaction with Pinnacle, including reaching out to Pinnacle s senior management to gauge Pinnacle s interest in exploring a potential transaction.

Table of Contents

On November 24, 2014, Anthony Sanfilippo, Chief Executive Officer of Pinnacle, and Carlos Ruisanchez, President and Chief Financial Officer of Pinnacle, met with Peter Carlino, Chairman and Chief Executive Officer of GLPI, in New York City. While no specific potential strategic transaction between the parties was discussed, during the course of the meeting Mr. Carlino inquired whether Pinnacle had considered a taxable transaction involving the separation of its real estate assets from its operating assets, and Mr. Ruisanchez noted potentially significant transaction costs in any such transaction structure. In the fall of 2014 and in early 2015, Steven Snyder, GLPI s Senior Vice President of Corporate Development, spoke with an investment banker at Goldman Sachs on several occasions indicating potential interest in a strategic transaction involving Pinnacle s real estate assets.

In early January 2015, certain third parties contacted members of Pinnacle s management to indicate potential interest in providing financing in connection with the REIT Separation Plan or other possible transactions involving Pinnacle s real estate but not involving a merger or acquisition of Pinnacle.

On January 16, 2015, Mr. Carlino and Mr. Sanfilippo had a telephone call during the course of which Mr. Carlino advised that he would be sending a letter indicating GLPI s interest in a transaction between GLPI and Pinnacle. Following that call, Mr. Carlino sent a letter, a draft of which GLPI management had previously distributed to the GLPI board of directors and received its authorization to distribute to Pinnacle, to Mr. Sanfilippo expressing GLPI s interest in pursuing a taxable merger transaction with Pinnacle, as an alternative to the REIT Separation Plan, pursuant to which Pinnacle would spin off Pinnacle s operating assets into a newly formed, publicly traded company and GLPI would acquire Pinnacle s real estate assets, in exchange for GLPI common stock, for an enterprise value of the acquired assets of $3.75 billion (based on the assumptions set forth in the proposal) (the January 16 Proposal). The same day, Mr. Sanfilippo communicated the January 16 Proposal to the Pinnacle Board.

On January 27, 2015, Mr. Sanfilippo informed Mr. Carlino that Pinnacle s management team would send Mr. Carlino a list of specific questions regarding GLPI s January 16 Proposal. Mr. Sanfilippo and Mr. Carlino also discussed scheduling an in-person meeting on February 18, 2015 in New York City to discuss such proposal. The next day, Mr. Carlino informed Mr. Sanfilippo that GLPI would be available for an in-person meeting on February 18, 2015.

On February 2, 2015, representatives of Pinnacle s and GLPI s senior management held a telephone call to discuss the January 16 Proposal. Those on the call included Mr. Ruisanchez, Geoffrey Goodman, Vice President of Strategic Planning, Analytics and Development of Pinnacle, William Clifford, Chief Financial Officer, Senior Vice President and Treasurer of GLPI and Desiree Burke, Chief Accounting Officer and Senior Vice President of GLPI. During the call, GLPI s representatives explained certain of the assumptions underlying the January 16 Proposal.

On February 4, 2015, another party in the gaming and leisure industry (Party A) contacted Pinnacle s management indicating its possible interest in a potential strategic transaction involving Pinnacle s operating assets.

On February 5, 2015, GLPI provided additional information to Pinnacle with respect to the financial aspects of its proposal.

On February 6, 2015, representatives of Morgan Stanley, GLPI s financial advisor, contacted representatives of Goldman Sachs to discuss GLPI s proposal. The representatives of Goldman Sachs indicated that they would follow up the next week with feedback on the January 16 Proposal.

A regularly scheduled meeting of the Pinnacle board of directors was held on February 10, 2015 at which representatives of Pinnacle s management were present. At that meeting, members of Pinnacle management provided an update regarding the status of the REIT Separation Plan, the communications with Party A and

analysis of that potential transaction, and updated the Pinnacle board of directors regarding GLPI s January 16 Proposal and subsequent communications with GLPI. The Pinnacle board of directors determined to schedule a meeting for the following week to review further the January 16 Proposal and alternatives available to Pinnacle, and determined that management representatives should not meet with representatives of GLPI prior to that meeting. Following the meeting, the independent directors on the Pinnacle board of directors determined to retain additional legal counsel to represent the independent directors, and subsequently Mr. James Martineau, Chairman of the Pinnacle board, contacted Gibson, Dunn & Crutcher LLP (Gibson) to act as counsel to Pinnacle s independent directors. Pinnacle s independent directors are all of the Pinnacle directors other than Mr. Sanfilippo.

On February 13, 2015, Mr. Sanfilippo called Mr. Carlino to cancel the in-person meeting that the parties had previously discussed.

On February 19, 2015, the Pinnacle board of directors held a telephonic meeting at which representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson were present. At this meeting, the Pinnacle board reviewed the January 16 Proposal and certain other strategic alternatives potentially available to Pinnacle, including the REIT Separation Plan and the communications from Party A regarding its possible interest in a potential strategic transaction with Pinnacle. Representatives of Goldman Sachs reviewed financial aspects of the various alternatives available to Pinnacle. Representatives from Skadden and Gibson also discussed legal matters including the Pinnacle board s fiduciary duties. Following discussions, the Pinnacle board determined that the January 16 Proposal did not adequately value Pinnacle s real estate assets, and that Pinnacle s management should continue to explore the strategic alternatives potentially available to Pinnacle, including a potential transaction with GLPI, the REIT Separation Plan and transactions with other parties that had contacted Pinnacle s management. The independent members of Pinnacle s board of directors then met separately to discuss the REIT Separation Plan and alternatives available to Pinnacle, and to receive legal advice from Gibson, after which Mr. Sanfilippo rejoined the meeting to receive guidance regarding next steps.

On February 20, 2015, Mr. Carlino and Mr. Sanfilippo had a telephone call in which they agreed to request that the parties respective financial advisors meet to discuss the January 16 Proposal and additional information provided on February 5, 2015. Later that day, Morgan Stanley and Goldman Sachs had a telephone call to discuss next steps and agreed that Morgan Stanley would provide Goldman Sachs with a list of high-priority due diligence requests and Goldman Sachs would provide Morgan Stanley with a form of nondisclosure agreement (an NDA) pursuant to which such due diligence information could be provided. Later that day Morgan Stanley sent Goldman Sachs the list of high-priority due diligence requests and Goldman Sachs sent Morgan Stanley a proposed NDA in order to facilitate discussions between Pinnacle and GLPI regarding a potential transaction. The draft NDA included standstill provisions that, subject to certain exceptions, would have prohibited GLPI from pursuing any form of public or unsolicited proposal with respect to Pinnacle.

On February 23, 2015, Messrs. Sanfilippo and Carlino had a telephone call to discuss the draft NDA sent by Goldman Sachs. Mr. Sanfilippo communicated Pinnacle s willingness to provide due diligence information if an appropriate NDA, including a standstill provision, could be agreed to between the parties. During this call, it was suggested that the parties respective General Counsels, Mr. Godfrey of Pinnacle and Brandon Moore of GLPI, have a call to further discuss the terms of the proposed NDA.

On February 25, 2015, Messrs. Godfrey and Moore had a telephone call to discuss the terms of the NDA. The parties expressed differing views as to whether the NDA should contain a standstill provision, with GLPI taking the position that no such provision should be included. That same day, GLPI sent Pinnacle a revised draft of the NDA, which did not contain a standstill provision, along with a list of priority diligence requests.

On February 27, 2015, Mr. Sanfilippo sent a letter to Mr. Carlino stating that Pinnacle s board had determined the January 16 Proposal did not adequately value Pinnacle s real estate assets, and that Pinnacle would be willing to share confidential information with GLPI under an acceptable NDA in order to explore whether there would be a path to a more attractive transaction for Pinnacle s stockholders. That same day representatives of Pinnacle s and GLPI s senior management communicated regarding the parties respective positions regarding the terms of the NDA, with no resolution.

On March 3, 2015, the GLPI board of directors held a telephonic meeting at which members of GLPI management were also in attendance. At this meeting, GLPI management updated the GLPI board of directors on developments in GLPI s attempts to engage with Pinnacle with respect to a transaction between the companies and provided the GLPI board of directors with a detailed overview of GLPI s most recent proposal to Pinnacle. The GLPI board of directors also discussed with management the potential benefits and risks of making GLPI s proposal public as a means of facilitating and accelerating progress towards an agreed transaction with Pinnacle, and determined to authorize GLPI management to do so.

On March 4, 2015, representatives of Pinnacle s senior management spoke with members of senior management of Party A and scheduled a meeting for March 18, 2015 to discuss the possibility of a potential strategic transaction between the parties.

On March 6, 2015, Mr. Carlino sent a letter with a revised proposal to Mr. Sanfilippo regarding a taxable transaction pursuant to which GLPI would acquire, in exchange for GLPI common stock, Pinnacle s real estate assets for an enterprise value of $4.1 billion (based on the assumptions set forth in the proposal) (the March 6 Proposal) and a request that Pinnacle respond to the March 6 Proposal by the close of business on March 9, 2015.

Later on March 6, 2015, a representative of Morgan Stanley called a representative of Goldman Sachs to follow up on Mr. Carlino s email and discuss next steps. The representative of Goldman Sachs indicated that while Pinnacle s board of directors was reviewing the proposal, it was unlikely that GLPI would receive a substantive response to Mr. Carlino s email by the March 9, 2015 date that Mr. Carlino had requested and they believed that GLPI s March 6 Proposal was unlikely to be accepted. In a follow-up call on March 8, 2015, representatives of Goldman Sachs reiterated to representatives of Morgan Stanley the same view.

On March 9, 2015, Mr. Sanfilippo emailed Mr. Carlino acknowledging receipt of the March 6 Proposal and indicated that such proposal was being reviewed by the Pinnacle board of directors. Shortly thereafter on that same day, GLPI sent a letter to the Pinnacle Board of directors describing the March 6 Proposal in greater detail and issued a press release (which included a copy of GLPI s proposal letter) and an investor presentation regarding the March 6 Proposal.

On March 12, 2015, the Pinnacle board of directors held a telephonic meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden, and Gibson were in attendance at the meeting. Representatives from Goldman Sachs then discussed the financial aspects of the March 6 Proposal and offered perspectives on potential alternatives available to Pinnacle. Representatives from Skadden and Gibson also discussed certain legal matters, including directors duties. After discussion, the Pinnacle board of directors concluded that the March 6 Proposal did not adequately value Pinnacle s real estate assets and determined to continue to pursue the steps necessary to implement the REIT Separation Plan, as well as to continue to explore potential third party interest in a transaction, including with GLPI and Party A.

On March 13, 2015, Mr. Carlino sent a letter to Mr. Sanfilippo reiterating the March 6 Proposal and GLPI s outstanding diligence requests, suggesting that the senior management teams of both companies meet to negotiate a transaction.

On March 15, 2015, members of Pinnacle s senior management contacted representatives of a third party in the gaming and leisure industry (Party B) to gauge its interest in a potential strategic transaction involving Pinnacle.

Table of Contents

On March 16, 2015, Mr. Sanfilippo sent a letter to Mr. Carlino indicating that the Pinnacle board of directors had unanimously determined that the March 6 Proposal did not adequately value Pinnacle s real estate assets, but that Pinnacle would be willing to explore a potential transaction and provide the limited due diligence information requested by GLPI on the condition that GLPI enter into an acceptable NDA that, while not itself including any standstill provisions, would include as an exhibit the form of a NDA with a standstill which the parties would commit to execute if Pinnacle provided any further information beyond the limited due diligence already requested by GLPI. Drafts of both versions of the NDA were included in the e-mail containing the letter.

On March 17, 2015, Mr. Moore and Mr. Godfrey held a telephone call to discuss the two versions of the NDA sent by Mr. Sanfilippo.

On March 18, 2015, members of Pinnacle s senior management met with members of senior management of Party A to discuss a potential transaction involving Pinnacle s operating assets. That same day, members of Pinnacle s senior management had a call with members of senior management of Party B to discuss a potential transaction involving Pinnacle s operating assets and certain assets of Party B. In addition, on March 18, 2015, GLPI sent a revised draft of the NDA to Pinnacle, which removed the references to a future agreement containing standstill provisions.

On March 19, 2015, the Pinnacle board of directors held a telephonic meeting at which representatives of Pinnacle s management, Goldman Sachs, Skadden, and Gibson were in attendance. Pinnacle s management updated the Pinnacle board of directors on its communications with GLPI, the feedback it had received from Pinnacle s stockholders and a review of the market s reaction to the March 6 Proposal, as well as the discussions they had with Party A and Party B. Representatives of Goldman Sachs also offered perspectives on the alternatives potentially available to Pinnacle. Representatives from Goldman Sachs, Skadden and Gibson then offered advice regarding potential next steps. After discussion, the Pinnacle board of directors determined that Pinnacle should execute an NDA not containing a standstill with GLPI, which would apply to the provision of limited information requested by GLPI, so that GLPI could further develop its proposal. The Pinnacle board of directors also authorized management and Goldman Sachs to continue discussions with other interested third parties regarding a potential transaction, including Party A and Party B. The independent members of Pinnacle s board of directors then met separately with representatives from Gibson to discuss Pinnacle s current situation, during which representatives of Gibson provided legal advice and observations on the process undertaken to date.

On March 20, 2015, Pinnacle and GLPI executed an NDA without a standstill, pursuant to which Pinnacle would provide certain limited information to GLPI, including certain tax and financial information.

On March 23, 2015, Goldman Sachs provided Morgan Stanley with certain of the due diligence information that GLPI had requested from Pinnacle, including summary information relating to Pinnacle s estimated tax basis, net operating loss carryforward position and accumulated earnings and profits.

On March 25, 2015, Pinnacle s senior management met with members of senior management of Party A to discuss a potential transaction involving Pinnacle s operating assets. During this meeting, Party A discussed a preliminary framework with respect to a potential strategic transaction, which involved purchasing Pinnacle s operating assets and separating Pinnacle s real estate into an independent, publicly traded REIT.

On March 25, 2015, GLPI submitted to Pinnacle a list of follow-up questions and supplemental requests related to the due diligence information that had been provided by Goldman Sachs.

On March 26, 2015, representatives of GLPI and representatives of Pinnacle held a conference call in which they discussed the due diligence information that Pinnacle had provided on March 23, 2015 and related matters. The representatives of Pinnacle indicated that certain additional due diligence information that GLPI had requested was in the process of being prepared and would be sent when available.

Table of Contents

On March 27, 2015, following several communications between representatives of each of Pinnacle and Party B, Pinnacle s senior management met with members of senior management of Party B to discuss potential transaction structures involving Pinnacle. That same day, representatives of Goldman Sachs spoke with Party A s financial advisor and informed it that Party A s proposal did not adequately value Pinnacle s assets when compared to other alternatives potentially available to Pinnacle.

On March 31, 2015, Pinnacle signed an NDA with Party B, which contained a customary standstill provision.

On April 3, 2015, Pinnacle signed an NDA with Party A, which contained a customary standstill provision.

In the following weeks, Pinnacle provided the additional due diligence requested by GLPI and engaged in discussions with GLPI regarding the assumptions underlying the March 6 Proposal, with a goal of further assisting GLPI in developing a revised and improved proposal. Pinnacle also continued discussions with each of Party A and Party B regarding potential strategic transactions with these parties and engaged in due diligence with each party with respect thereto.

On April 7, 2015, the GLPI board of directors held a telephonic meeting at which members of GLPI management and representatives of Morgan Stanley and Wachtell Lipton, outside legal counsel to GLPI, were also in attendance. At this meeting, GLPI management updated the GLPI board of directors on developments since the public announcement of the March 6 Proposal, including the due diligence process and discussions with Pinnacle and certain of its stockholders regarding the March 6 Proposal. Following discussion with GLPI management and the advisors present at the meeting regarding the financial and strategic considerations of submitting a revised proposal to Pinnacle based upon the due diligence information received to date, the GLPI board of directors requested that management work with Morgan Stanley to conduct additional analysis and present the Board with a proposed revised offer when complete.

On April 10, 2015, the GLPI board of directors held a follow-up meeting at which GLPI management presented, and the GLPI board of directors discussed, a potential revised proposal to Pinnacle. At the conclusion of this meeting, the GLPI board of directors authorized management to present the revised proposal to Pinnacle and to continue negotiating with Pinnacle towards a mutually agreeable transaction. That same day, Mr. Carlino delivered a letter to the Pinnacle board with a revised proposal for a transaction pursuant to which GLPI would acquire Pinnacle s real estate assets through the acquisition of Pinnacle, following the spin-off of Pinnacle s operating business, at an exchange ratio of 0.675 shares of GLPI common stock for each share of Pinnacle common stock, for an enterprise value of the acquired assets of $4.7 billion (based on the assumptions set forth in the proposal) (the April 10 Proposal).

On April 13 and 14, 2015, the Pinnacle board of directors met at a regularly-scheduled meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson were present during relevant portions of the meeting. The Pinnacle board of directors reviewed Pinnacle s current situation, including the status of the REIT Separation Plan, the April 10 Proposal and the other strategic alternatives potentially available to Pinnacle. Pinnacle s management and representatives of Goldman Sachs provided an update on the REIT Separation Plan and on the discussions with GLPI, Party A and Party B and provided information and advice regarding the financial elements of each of the strategic options. Representatives from Skadden and Gibson also offered their perspectives on certain legal matters. After discussion, the Pinnacle board of directors determined to pursue due diligence and discussions with GLPI subject to entering into a new mutual NDA appropriate to the provision of additional information. In addition, the Pinnacle board of directors directed management to continue exploring the other strategic alternatives potentially available to Pinnacle, including with Party A and Party B. The independent members of Pinnacle s board of directors then met separately with representatives from Gibson to discuss Pinnacle s current situation, during which representatives of

Gibson provided legal advice and observations on the process undertaken to date.

On April 14, 2015, it was reported by multiple media outlets that GLPI had increased the value of its proposal as compared to the March 6 Proposal. That same day, Mr. Sanfilippo sent Mr. Carlino a letter regarding the April 10 Proposal noting that the Pinnacle board believed that such proposal did not fully reflect the value of Pinnacle s real estate assets, requesting certain clarifications regarding such proposal and suggesting that GLPI execute a mutual NDA so that the parties could share additional information and that the parties should schedule an in-person meeting to further discuss a potential transaction.

On April 15, 2015, Mr. Carlino sent the Pinnacle board of directors a letter including detailed responses to the questions regarding the April 10 Proposal posed in Pinnacle s April 14, 2015 letter and noting that while GLPI was open to an in-person meeting, it would not sign a mutual NDA that contained a standstill. On April 16, 2015, Mr. Sanfilippo sent Mr. Carlino a letter noting that, in the interest of facilitating open discussions between the parties, Pinnacle was prepared to execute a mutual NDA without a standstill. That same day, GLPI and Pinnacle executed a mutual NDA without a standstill.

That same day, advisors and senior management of each of Pinnacle and Party B engaged in discussions regarding a potential transaction.

On April 17, 2015, Party B s financial advisor delivered a proposal for the acquisition of certain of Pinnacle s operating assets and Pinnacle s acquisition of certain of Party B s real estate assets, and on April 18, 2015, senior management of Pinnacle and Party B, along with representatives of Goldman Sachs and Party B s financial advisor, conducted a telephone call to discuss the terms of Party B s proposal.

On April 20, 2015, Pinnacle sent a counterproposal to Party B.

That same day, representatives of senior management of Pinnacle and GLPI, as well as representatives from Goldman Sachs, Morgan Stanley, Skadden and Wachtell Lipton met in Las Vegas to discuss a potential transaction involving GLPI and Pinnacle. As a result of such meeting, it was agreed that Pinnacle would send GLPI a counterproposal reflecting, among other things, its positions on the terms of a potential master lease and the valuation of Pinnacle s real estate assets.

On April 21, 2015, both Party A and Party B separately submitted revised proposals to Pinnacle with respect to their respective interest in a potential strategic transaction. Each of the proposals involved purchasing Pinnacle s operating assets and the separation of Pinnacle s real estate assets into an independent, publicly traded REIT. Party A s proposal involved the acquisition of Pinnacle s operating assets and Party B s proposal involved the acquisition of Pinnacle s operating assets and the acquisition by Pinnacle of certain of Party B s real estate assets.

On April 22, 2015, representatives of senior management of Pinnacle and Party B had a call to discuss the terms of Party B s revised proposal. On April 23, 2015, Party B submitted a revised proposal involving the acquisition of Pinnacle s operating assets and the acquisition by Pinnacle of certain of Party B s real estate assets, which revised certain of the financial terms of the proposed transaction.

Also on April 23, 2015, the Pinnacle board of directors held a telephonic meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson also participated during such call. Management updated the Pinnacle board of directors on the latest communications with each of GLPI, Party A and Party B, and representatives from Goldman Sachs reviewed financial terms and financial assumptions underlying each proposal. Representatives from Skadden and Gibson also offered their perspectives on certain legal matters. After discussion, the Pinnacle board of directors determined that management should continue to negotiate with GLPI and communicate to Party A and Party B that their respective proposals were inadequate. That same day, Mr. Sanfilippo sent a letter to Mr. Carlino communicating the key areas where Pinnacle believed that GLPI needed to improve its proposal, including with respect to the valuation of Pinnacle s real estate assets, the terms of a master lease and the amount of and circumstances under which any termination fees would be payable.

On April 24, 2015, Mr. Sanfilippo communicated to Party A and Party B that their respective proposals did not adequately value Pinnacle s assets, and with regard to Party B, that Pinnacle had concerns regarding the uncertainty and feasibility of implementing its proposal.

Also on April 24, 2015, representatives of GLPI, Pinnacle, Morgan Stanley and Goldman Sachs held a telephonic meeting to discuss the letter sent by Mr. Sanfilippo on April 23, 2015, including the key areas where Pinnacle believed that GLPI needed to improve its proposal.

On April 25, 2015, Mr. Carlino delivered a letter to the Pinnacle board of directors reflecting a revised proposal for a taxable transaction pursuant to which GLPI would acquire, at an exchange ratio of 0.8281 shares of GLPI common stock for each share of Pinnacle common stock, Pinnacle s real estate assets (the April 25 Proposal). Based on the assumptions set forth therein, the April 25 Proposal reflected a total enterprise value for Pinnacle s real estate assets to be acquired in the transaction of approximately $4.75 billion. The letter also reflected GLPI s position on certain of the other open issues between the parties, including the terms of a master lease and the size of any termination fees and circumstances under which such fees would be payable.

On April 28, 2015, the Pinnacle board of directors held a telephonic meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson also participated during such call. Management updated the Pinnacle board on the latest communications with each of GLPI, Party A and Party B, noting that neither Party A nor Party B had submitted a revised proposal. A potential response to GLPI s April 25 Proposal was also discussed. After receiving advice from representatives of Goldman Sachs, Skadden and Gibson, the Pinnacle board of directors determined to respond to GLPI with Pinnacle s position on GLPI s proposal. Following the meeting, Mr. Sanfilippo sent Mr. Carlino a letter regarding the April 25 Proposal stating that, despite meaningful progress in the negotiations with GLPI, key terms (including the consideration to be provided to Pinnacle stockholders and the allocation of certain transaction costs) remained outstanding, and communicating Pinnacle s position on certain of the remaining open issues between the parties.

On April 29, 2015, Mr. Carlino delivered a letter to the Pinnacle board of directors, a draft of which GLPI management had previously distributed to the GLPI board of directors and received its authorization to distribute to Pinnacle, reflecting GLPI s positions on the open issues between the parties, including with respect to valuation of Pinnacle s real estate assets, and proposing an exchange ratio of 0.8140 shares of GLPI common stock for each share of Pinnacle common stock, as well as any vested employee equity awards outstanding, and indicating GLPI s position concerning the allocation of certain transaction costs and the terms of the master lease (the April 29 Proposal). GLPI s response indicated that, while GLPI could be flexible regarding allocation of certain transaction costs, the GLPI board of directors was not supportive of any further valuation enhancement.

On May 1, 2015, the Pinnacle board of directors held a telephonic meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson also participated during such call. Management updated the Pinnacle board of directors on the status of each of the alternatives Pinnacle had been exploring, including the REIT Separation Plan, the April 29 Proposal and potential transactions involving Party A and Party B, and representatives of Goldman Sachs provided a financial analysis of the April 29 Proposal. Representatives of Skadden and Gibson also discussed certain legal matters and offered perspectives on each of the alternatives potentially available to Pinnacle. After discussion, the Pinnacle board of directors determined to send a counterproposal to the April 29 Proposal, reflecting a fixed exchange ratio of 0.85 shares of GLPI common stock for each share of Pinnacle common stock and other terms, and instructed Mr. Sanfilippo to continue negotiations with GLPI. The independent members of Pinnacle s board of directors then met separately with representatives from Gibson, Skadden and Goldman Sachs to discuss Pinnacle s current situation. The independent directors discussed certain economic factors related to the proposed transaction with GLPI with input from Goldman Sachs, as well as certain legal matters with Skadden and Gibson. Later that same day, representatives of senior management of GLPI and Pinnacle held a telephonic meeting to discuss the April 29 Proposal. Following this telephonic meeting, Mr. Sanfilippo delivered a letter to Mr. Carlino with a counterproposal to the April 29 Proposal and a request for a telephonic meeting on May 2, 2015.

On May 2, 2015, representatives of senior management of Pinnacle and GLPI discussed certain key open points regarding a proposed transaction and came to a preliminary understanding, subject to board review and negotiation of definitive agreements, on certain key value terms, including a fixed exchange ratio of 0.85 shares of GLPI common stock for each share of Pinnacle common stock, initial rent under the master lease of $358 million and an obligation of GLPI to refinance the principal amount of all of Pinnacle s existing indebtedness except $1.1 billion, subject to certain adjustments (the May 2 Proposal). Later that same day, Mr. Carlino sent the Pinnacle board of directors a letter confirming the terms of the May 2 Proposal. That same day, the Pinnacle board of directors held a telephonic meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson also participated during such call. Management summarized the status of discussions with GLPI, and Goldman Sachs provided an overview and financial analysis of the May 2 Proposal. A representative of Skadden reviewed legal matters. The Pinnacle board of directors authorized management to continue negotiations with GLPI with respect to a potential transaction based on the framework of the May 2 Proposal.

On May 4, 2015, Pinnacle issued a press release confirming its discussions with GLPI regarding a potential transaction involving its real estate assets. That same day, during GLPI s first quarter earnings call, GLPI updated investors regarding certain developments with respect to a potential transaction involving Pinnacle s real estate assets.

During the ensuing weeks, Pinnacle, GLPI and their respective representatives continued their mutual due diligence and negotiations of definitive transaction documents with respect to a potential transaction based on the framework of the May 2 Proposal.

During the week of May 11, 2015, Skadden and Wachtell Lipton exchanged initial drafts of the transaction documents in connection with a potential transaction between Pinnacle and GLPI, including drafts of the merger agreement, the master lease and the agreements to effect the separation of Pinnacle s operating business from its real estate assets.

On May 17, 2015, Skadden and Wachtell Lipton exchanged a list of the key issues in the draft transaction documents. These issues included, among others, the allocation of Pinnacle s existing assets and liabilities, the treatment of certain of Pinnacle s and GLPI s expenses, the treatment of Pinnacle s existing indebtedness, rent adjustments and capital improvements under the master lease, the nature and extent of Pinnacle s non-solicit obligation, the allocation of regulatory risk between the parties, the conditionality of GLPI s obligation to close a transaction and the circumstances under which termination fees would be payable.

On May 18, 2015, representatives of management from each of Pinnacle and GLPI held a telephonic meeting to discuss the key issues each party had identified in the transaction documents. Representatives from Skadden, Goldman Sachs, Wachtell Lipton and Morgan Stanley also participated during the call. As a result of the call, the parties refined and clarified the open issues in the transaction documents. During the week of May 18, 2015, Skadden and Wachtell Lipton exchanged revised drafts of the transaction documents and held calls to discuss the open issues in such transaction documents.

On May 19, 2015, the Pinnacle board of directors held an in-person meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson also participated in such meeting. During the meeting management provided an update on the status of negotiations with GLPI and the progress that had been made regarding the REIT Separation Plan. Pinnacle senior management and representatives of Goldman Sachs also provided financial analysis regarding a potential transaction with GLPI and offered perspectives on the REIT Separation Plan. The Pinnacle board of directors determined that management and Pinnacle s advisors should continue negotiating with GLPI to see if a potential transaction could be negotiated on acceptable terms, while at the same time continuing to work on the REIT Separation Plan.

During the week of May 25, 2015, Skadden and Wachtell Lipton continued exchanging drafts of the transaction documents and held calls to discuss the open issues in such transaction documents. On May 27, 2015, Skadden and Wachtell Lipton exchanged a list of the key issues in the draft transaction documents. These issues included, among others, the allocation of Pinnacle s assets and liabilities, the amount of Pinnacle s existing indebtedness that GLPI would be obligated to refinance, the nature and extent of Pinnacle s non-solicit obligations, the allocation of regulatory risk between the parties and the terms of the master lease.

On May 29, 2015, representatives of senior management from each of Pinnacle and GLPI met in the New York offices of Skadden with a goal of resolving the remaining open issues. Representatives of Goldman Sachs, Skadden, Morgan Stanley and Wachtell Lipton also attended such meeting. As a result of the meeting, the parties were able to resolve certain open issues but other open issues remained, including, among others, the structure of the master lease and the allocation of certain expenses between the two parties.

During the week of June 1, 2015, Skadden and Wachtell Lipton continued exchanging drafts of the transaction documents and continued to discuss such documents. On June 1, 2015, certain representatives of senior management of each of Pinnacle and GLPI had a telephone conversation to discuss certain financial diligence matters.

On June 5, 2015, the Pinnacle board of directors met telephonically. Representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson also participated during such call. Representatives of management provided the Pinnacle board with an update on the status of negotiations with GLPI and representatives of Skadden updated the Pinnacle board of directors on the current status of the transaction documents. Representatives of Goldman Sachs also offered perspectives on the process to date and next steps to resolve open issues with GLPI, which included the allocation of regulatory risk, the nature and extent of Pinnacle s non-solicit obligations, the circumstances under which termination fees would be payable and certain issues relating to the master lease. After deliberation, the Pinnacle board directed management to continue the negotiations with GLPI.

During the week of June 8, 2015, Skadden and Wachtell Lipton continued to exchange revised drafts of the transaction documents and continued to discuss such documents. Open issues at this point included, among others, allocation of regulatory risk, circumstances under which the termination fees would be payable, the nature and extent of Pinnacle s non-solicit obligations, the treatment of Pinnacle s existing indebtedness, cost allocation issues and the terms of the master lease.

On June 11, 2015, the Pinnacle board of directors met telephonically. Representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson also participated on such call. Management updated the Pinnacle board on the progress that had been made in the negotiations with GLPI since the previous meeting of the Pinnacle board and representatives of Goldman Sachs then provided an analysis on the financial aspects of a potential transaction with GLPI, comparing it to the other options potentially available to Pinnacle. The Pinnacle board of directors instructed Pinnacle s management and advisors to continue negotiating with GLPI with respect to a potential transaction.

Following this meeting, Pinnacle and GLPI set up a meeting to try to resolve open issues, to be held on June 15, 2015 in New York City.

On June 13, 2015, Skadden sent Wachtell Lipton a list of the open issues in the transaction documents which included, among others, allocation of regulatory risk, circumstances under which the termination fees would be payable, the treatment of Pinnacle s existing indebtedness, certain terms of the master lease and the nature and extent of Pinnacle s non-solicit obligations.

On June 14, 2015, Mr. Clifford called Mr. Ruisanchez to report that, based upon changes to the terms of the transaction that had been requested by Pinnacle and negotiated between the parties in the preceding weeks, GLPI no longer believed the proposed transaction in its currently contemplated form represented a valuation acceptable to

GLPI and its shareholders, and accordingly GLPI was reexamining certain value points with respect to the May 2 Proposal.

Table of Contents

On June 15, 2015, representatives of management from each of Pinnacle and GLPI met in New York in the offices of Wachtell Lipton. Representatives of Goldman Sachs, Skadden, Morgan Stanley and Wachtell Lipton also attended such meeting. While the meeting had originally been scheduled to resolve the remaining open issues that had been identified between the two parties, the parties spent a substantial portion of the meeting discussing the implications of the message conveyed by GLPI on June 14, 2015, regarding GLPI s valuation issues. GLPI identified several possible combinations of modifying the exchange ratio, the initial rent payment under the master lease and the amount of existing Pinnacle indebtedness that GLPI would be responsible for refinancing. Pinnacle noted to GLPI that Pinnacle would not be able to provide GLPI with a substantive response to any proposed adjustments to the transaction until GLPI provided Pinnacle with a complete revised proposal. The parties agreed that GLPI would send Pinnacle a revised proposal.

On June 16, 2015, representatives of Goldman Sachs and Party B s financial advisor had a call to discuss the feasibility of a potential transaction. That same day, representatives of each of Goldman Sachs and Morgan Stanley had a call to discuss the status of discussions between Pinnacle and GLPI.

On June 17 and June 18, 2015, the GLPI board of directors met at a regularly-scheduled meeting. Representatives of GLPI management and Morgan Stanley were present during relevant portions of the meeting. At this meeting, GLPI management provided the GLPI board of directors with an update regarding the current status of negotiations with respect to the proposed transaction with Pinnacle, including a discussion of the valuation issues which GLPI management had recently identified to Pinnacle. GLPI management and Morgan Stanley reviewed with the GLPI board of directors a revised form of proposal which represented acceptable value to GLPI in the judgment of GLPI management. The GLPI board of directors discussed with Morgan Stanley and GLPI management the economic terms of the revised proposal and remaining open contractual issues, including Pinnacle s stated position on each. The discussion concluded with the GLPI board of directors determination that GLPI management should present a revised offer to Pinnacle s Board of Directors generally reflecting the economic terms discussed at the meeting and continue negotiations with Pinnacle, with the caveat that any agreed transaction between GLPI and Pinnacle would be subject to the GLPI board of directors approval.

On June 19, 2015, Mr. Carlino sent a letter to the Pinnacle board of directors presenting a revised proposal for Pinnacle s real estate assets (the June 19 Proposal) reflecting a fixed exchange ratio of 0.7550 shares of GLPI common stock for each Pinnacle share of common stock, an initial annual rent payment under the master lease of $363 million and an obligation by GLPI to refinance $2.575 billion in principal amount of existing Pinnacle indebtedness, representing an enterprise value of the acquired assets of approximately $4.8 billion (based on the assumptions set forth in the proposal).

On June 21, 2015, Wachtell Lipton sent Skadden revised drafts of the transaction documents reflecting the June 19 Proposal, as well as GLPI s position on the remaining open points.

On June 23, 2015, Mr. Sanfilippo informed Mr. Carlino that Pinnacle was in the process of reviewing the June 19 proposal and expected to respond no later than June 29, 2015.

On June 23, 2015, representatives of Morgan Stanley and Goldman Sachs held a telephonic meeting to discuss the June 19 Proposal. The representatives of Goldman Sachs indicated that while they understood the revised terms of the proposal, Pinnacle and its advisors were still in the process of evaluating it.

On June 26, 2015, the Pinnacle board of directors held a telephonic meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden, and Gibson also participated during such call. Mr. Ruisanchez and representatives from Goldman Sachs each detailed the financial implications of the June 19 Proposal and compared such proposal to the REIT Separation Plan. Pinnacle senior management and representatives of Goldman Sachs also reviewed other strategic alternatives potentially available to Pinnacle, including the REIT Separation Plan and contacting Party B to gauge its potential interest at that time in a potential strategic transaction. The Pinnacle board of directors decided that Pinnacle should communicate to GLPI that the June 19

Proposal was not acceptable, but that Pinnacle remained open to pursuing a value-enhancing transaction with GLPI. The Pinnacle board also instructed Pinnacle s management to continue its work on the REIT Separation Plan and contact Party B to gauge its level of interest in a potential strategic transaction.

On June 29, 2015, Mr. Sanfilippo sent a letter to Mr. Carlino reflecting Pinnacle s position that the June 19 Proposal did not adequately value Pinnacle s real estate assets. The letter did not include a specific counterproposal to the June 19 Proposal, but indicated that Pinnacle remained open to a potential value-enhancing transaction. In connection with the letter, senior management of Pinnacle spoke with Mr. Carlino to discuss the status of the negotiation process.

On June 30, 2015, Mr. Sanfilippo contacted representatives of senior management of Party B to gauge Party B s interest in a potential strategic transaction involving Pinnacle.

On July 7, 2015, Mr. Carlino sent a letter, a draft of which GLPI management had previously distributed to the GLPI board of directors and received its authorization to distribute to Pinnacle, to the Pinnacle board of directors with a revised proposal to acquire Pinnacle s real estate assets for a fixed exchange ratio of 0.85 shares of GLPI common stock per share of Pinnacle common stock, an initial annual rent payment under the master lease of $377 million and an obligation by GLPI to refinance existing Pinnacle indebtedness of $2.648 billion in principal amount (the July 7 Proposal). Based on the assumptions set forth therein, the July 7 Proposal reflected a total enterprise value for Pinnacle s real estate assets to be acquired in the transaction of approximately $5.0 billion. Simultaneously with the delivery of this letter to Pinnacle, GLPI issued a press release, which included a copy of such letter, disclosing the terms of the July 7 Proposal. That same day, the Pinnacle board of directors held a telephonic meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson also participated during such call. Representatives of Goldman Sachs, Skadden and Gibson offered their perspectives on the process to date, including the comparative merits and drawbacks of a transaction with GLPI as compared to the REIT Separation Plan. After discussion, the Pinnacle board determined to reconvene the next day to consider potential next steps.

On July 8, 2015, the Pinnacle board of directors held a telephonic meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden, and Gibson also participated during such call. Management updated the Pinnacle board of directors on conversations they had with certain of Pinnacle s stockholders, who generally were of the view that a transaction with GLPI offered greater certainty of value than the REIT Separation Plan. Representatives from Goldman Sachs, Skadden and Gibson offered perspectives on the merits and drawbacks of pursuing a transaction with GLPI pursuant to the July 7 Proposal as compared to the REIT Separation Plan. In addition, representatives of Skadden and Gibson discussed legal matters, including the Pinnacle board s duties. After discussion, the Pinnacle board determined that the July 7 Proposal offered a better path to a value-enhancing transaction as compared to the REIT Separation Plan, if GLPI would be willing to raise the overall value of its proposal to Pinnacle s stockholders. The Pinnacle board authorized Pinnacle s management to negotiate with GLPI in order to get GLPI to the maximum value GLPI could offer.

On July 9, 2015, Pinnacle sent a letter to GLPI stating that while the July 7 Proposal was an improvement from the June 19 Proposal, it still did not adequately value Pinnacle s real estate assets. Such letter also provided a counterproposal to the July 7 Proposal, which included a fixed exchange ratio of 0.90 shares of GLPI common stock per share of Pinnacle common stock, an initial annual rent payment under the master lease of $377 million per year and GLPI being obligated to refinance $2,675 million of Pinnacle s existing indebtedness. That same day, senior management of Pinnacle met with senior management of Party B to discuss a potential transaction; however, Party B never submitted an updated proposal for any such transaction.

Later on July 9, 2015, representatives of Goldman Sachs called representatives of Morgan Stanley to discuss Pinnacle s letter.

Table of Contents

On July 10, 2015, Messrs. Carlino and Sanfilippo, along with members of their respective management teams, held a call to discuss Pinnacle s counterproposal and the remaining open points between the two parties. As a result of the call, the parties agreed to try to finalize negotiating the transaction documents, after which the parties would finalize the open value points.

Between July 10, 2015 and July 18, 2015, Skadden and Wachtell Lipton exchanged drafts of the transaction documents with a goal of resolving all open points in such documents.

On July 15, 2015, Messrs. Carlino and Sanfilippo held a call to discuss the remaining open value points between the two parties. As a result of the call, the parties reached an understanding with respect to such points which included a fixed exchange ratio of 0.85 shares of GLPI common stock per share of Pinnacle common stock, an initial annual rent payment under the master lease of $377 million per year and GLPI being obligated to refinance $2.7 billion of Pinnacle s existing indebtedness.

On July 17, 2015, the GLPI board of directors held a telephonic meeting. Representatives of GLPI management, Morgan Stanley and Wachtell Lipton also attended the meeting. Management updated the GLPI board of directors on events since the last board meeting and informed the GLPI board of directors that the parties had reached an understanding on transaction terms, subject to finalization of definitive documents and approval of each company s board. Representatives of Morgan Stanley then reviewed the financial analyses that it had performed on the current proposal. Representatives of Wachtell Lipton and management reviewed the terms of the draft transaction documents and described the changes to such documents since the last meeting of the GLPI board of directors. Representatives of Wachtell Lipton and Mr. Moore also reviewed the directors fiduciary duties and discussed various legal matters. The GLPI board of directors then authorized management and GLPI s advisors to seek to finalize the transaction documents, subject to the GLPI board of directors final review and approval at a subsequent meeting.

On July 18, 2015, the Pinnacle board of directors held a telephonic meeting. Representatives of Pinnacle s management, Goldman Sachs, Skadden and Gibson also participated during such call. Management updated the Pinnacle board of directors on the conversation with Mr. Carlino and the proposed resolution of the key open value points. A representative of Skadden then described the current terms of the transaction documents and the changes thereto, reviewed the directors fiduciary duties and discussed various legal matters. A representative of Gibson also offered observations on the process the Pinnacle board had undertaken with respect to the proposed transaction. Representatives of Goldman Sachs then reviewed the financial analyses that it had performed on the current proposal. The Pinnacle board of directors then authorized management and Pinnacle s advisors to seek to finalize the transaction documents, with a goal of executing such documents as soon as practicable.

During the period from July 18, 2015 through July 20, 2015, Pinnacle s and GLPI s management and advisors worked to finalize the draft transaction documents.

On July 19, 2015, the GLPI board of directors met telephonically. Representatives of GLPI management, Morgan Stanley and Wachtell Lipton also attended the meeting. The representatives of Wachtell Lipton reviewed the terms of the draft transaction documents and described the changes to such documents since the last meeting of the GLPI board of directors. The representatives of Morgan Stanley again reviewed the financial analyses Morgan Stanley had presented at the previous meeting of the GLPI board of directors and rendered Morgan Stanley s oral opinion to the GLPI board of directors, subsequently confirmed by delivery of a written opinion dated July 20, 2015, that, as of that date and based upon and subject to the assumptions, procedures, qualifications and limitations set forth in its written opinion, the exchange ratio pursuant to the merger agreement was fair from a financial point of view to GLPI. For more information about Morgan Stanley s opinion, see below under the heading Opinion of GLPI s Financial Advisor. After discussing potential reasons for and against the proposed transaction, the GLPI board of directors unanimously determined that the transactions with Pinnacle are in the best interests of GLPI and its shareholders and are advisable, approved such transactions and the transaction agreements and resolved to recommend that GLPI s shareholders vote to approve the GLPI share issuance at any meeting of shareholders of GLPI to be called for the purposes of acting thereon.

On the evening of July 20, 2015, the Pinnacle board of directors met telephonically. Also participating were members of Pinnacle s management and representatives of Goldman Sachs, Skadden and Gibson. The representatives of Skadden reviewed the terms of the draft transaction documents and described the changes to such documents since the last meeting of the Pinnacle board. Representatives of Goldman Sachs again reviewed the financial analyses it had presented at the previous meeting of the Pinnacle board of directors and rendered its oral opinion to the Pinnacle board of directors, subsequently confirmed by delivery of a written opinion dated July 20, 2015, to the effect that, based upon and subject to the factors and assumptions set forth in Goldman Sachs written opinion, the exchange ratio to be paid for each outstanding share of Pinnacle common stock pursuant to the merger agreement was fair from a financial point of view to the holders (other than GLPI and its affiliates) of shares of Pinnacle common stock. For more information about Goldman Sachs opinion, see below under the heading Opinion of Pinnacle s Financial Advisor. After discussing potential reasons for and against the proposed transaction, the Pinnacle board of directors unanimously determined that the transactions with GLPI are in the best interests of Pinnacle s stockholders and are advisable, approved such transactions and the transaction agreements and recommended that Pinnacle s stockholders vote to adopt the merger agreement at any meeting of stockholders of Pinnacle to be called for the purposes of acting thereon.

After the meeting of the Pinnacle board of directors on July 20, 2015, each party finalized its respective debt commitment letter with its lenders and the parties finalized the transaction documents. Late in the evening, the parties executed the agreements in connection with the transaction. Pinnacle also amended its rights agreement such that the merger agreement and the transactions contemplated thereby would not trigger any rights pursuant to such agreement.

On July 21, 2015, prior to the opening of trading of Pinnacle s and GLPI s common stock on the New York Stock Exchange (where Pinnacle s common stock traded until the closing of the market on November 16, 2015) and NASDAQ, respectively, Pinnacle and GLPI issued a joint press release announcing the execution of the merger agreement.

On November 17, 2015, Pinnacle received revised commitment papers from the commitment parties (including the Pinnacle Takeout Commitment Letter and the Pinnacle Bridge Commitment Letter) to provide the debt financing necessary to fund Pinnacle s obligations in connection with the merger.

Recommendation of GLPI s Board of Directors and Reasons for the Merger

At a meeting held on July 19, 2015, the GLPI board of directors unanimously determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger and the share issuance, were in the best interests of GLPI and its shareholders and declared it advisable to enter into the merger agreement and approved the execution, delivery and performance of the merger agreement and the consummation of the transactions contemplated by the merger agreement, including the merger and the share issuance. **GLPI s board of directors recommends that GLPI shareholders vote FOR the share issuance proposal.**

In evaluating the proposed transactions, GLPI s board of directors consulted with GLPI s management and legal and financial advisors and, in reaching its determination and recommendation, the GLPI board of directors considered a number of factors. The GLPI board of directors also consulted with outside legal counsel regarding its obligations, legal due diligence matters and the terms of the merger agreement and other transaction agreements.

Many of the factors considered favored the conclusion of the GLPI board of directors that the merger agreement and the transactions contemplated by the merger agreement, including the GLPI share issuance, are advisable and in the best interests of GLPI and its shareholders, including the following:

the expectation that, following the merger, GLPI will be well positioned as the third largest triple-net REIT with the scale and financial strength to continue to pursue value-creating transactions in both domestic regional and destination gaming markets and potentially other sectors if attractive opportunities arise;

the belief that the triple-net lease structure with a long-term master lease will provide GLPI with strong revenue stability and a dependable cash flow stream;

the opportunity to create a more diversified tenant base that will reduce GLPI s reliance on any single tenant for a significant portion of its revenue stream;

the opportunity to expand and diversify GLPI s property portfolio from 21 properties in 12 states to 35 properties in 14 states;

the expectation that, following the merger, GLPI s enhanced scale and diversification will help reduce market specific risk;

the expectation, based on estimates by GLPI management prior to the execution of the merger agreement, that the transactions will result in low double-digit percentage adjusted funds from operations per share accretion in the first year following the merger;

information from and discussions with GLPI s management and advisors regarding Pinnacle s current business strategy and prospects, including the projected long-term financial results of Pinnacle as a stand-alone company and Pinnacle s own plan to pursue a separation of Pinnacle s operating assets and real estate assets into two publicly traded companies in a tax-free spin-off and the expected pro forma effect of the proposed transactions on GLPI;

the GLPI board of directors understanding of Pinnacle s business as well as its financial performance, results of operations and future prospects, which supported the GLPI board of directors view that the merger consideration reflected, among other things, a reasonable price for substantially all of Pinnacle s real estate assets;

the oral opinion Morgan Stanley delivered to GLPI s board of directors on July 19, 2015, which was subsequently confirmed by delivery of a written opinion dated July 20, 2015, that, as of that date and based upon and subject to the assumptions, procedures, factors, qualifications and limitations set forth in its written opinion, the exchange ratio provided for in the merger agreement was fair from a financial point of view to GLPI, as more fully described under Opinion of GLPI s Financial Advisor. The full text of the written opinion of Morgan Stanley, dated July 20, 2015, which sets forth the assumptions made, procedures followed, matters considered, limitations and scope of the review undertaken by Morgan Stanley in rendering its opinion, is attached as Annex B to this joint proxy statement/prospectus;

the review by GLPI s board of directors with its advisors of the structure of the proposed transactions and the financial and other terms of the merger agreement, including the parties representations, warranties and covenants, the conditions to their respective obligations and the termination provisions, as well as the likelihood of consummation of the proposed transactions and GLPI board s evaluation of the likely time period necessary to complete the transactions. GLPI s board of directors also considered the following specific aspects of the transactions contemplated by the merger agreement:

the nature of the closing conditions included in the merger agreement, including the reciprocal exceptions to the events that would constitute a material adverse effect on either GLPI or Pinnacle for purposes of the merger agreement, as well as the likelihood of satisfaction of all conditions to completion of the transactions;

the efforts required by each party to obtain approvals or clearances by the applicable governmental authorities, including gaming agencies;

the fact that Peter M. Carlino and the Carlino Family Trust and certain investment funds affiliated with Fortress Investment Group LLC which, as of the date of the merger agreement collectively

Table of Contents

held approximately 21% of the outstanding voting power of GLPI common stock, have agreed to vote in favor of the share issuance proposal, subject to certain exceptions; and

the circumstances under which certain termination fees and reimbursements of expenses could become payable by the parties to the merger agreement, as described in more detail elsewhere in this joint proxy statement/prospectus.

In the course of its deliberations, the GLPI board of directors also considered a variety of risks and other potentially negative factors, including the following:

the possibility that the transactions may not be completed or that completion may be unduly delayed for reasons beyond the control of GLPI and/or Pinnacle, including the potential length of the regulatory review process and the risk that the applicable governmental authorities may prohibit or enjoin the transactions or otherwise impose conditions on GLPI and/or Pinnacle in order to obtain clearance for the transactions;

the possibility that, in certain circumstances relating to the failure to obtain regulatory approvals, GLPI could be required to pay Pinnacle a termination fee of $150 million, and in certain circumstances relating to the failure to obtain shareholder approval of the share issuance proposal, GLPI could be required to reimburse Pinnacle s expenses up to $20 million;

the potential for diversion of management and employee attention and the potential effect of the transactions on GLPI s business and strategic relationships;

the potential that the fixed exchange ratio could result in GLPI delivering greater value to Pinnacle stockholders than had been anticipated should the value of the shares of GLPI common stock increase from the date of execution of the merger agreement;

the risk that the benefits to GLPI, following completion of the transactions, will not be realized or will take longer to realize than expected;

the possibility that changes in global economic conditions and fluctuations in exchange and interest rates could make GLPI s financing difficult to obtain on favorable terms or at all;

the transaction costs to be incurred in connection with the proposed transactions; and

risks of the type and nature described under the sections titled Risk Factors and Cautionary Statements Regarding Forward-Looking Statements.

GLPI s board of directors considered all of these factors as a whole and, on balance, concluded that they supported a determination to approve the merger agreement. The foregoing discussion of the information and factors considered by GLPI s board of directors is not exhaustive. In view of the myriad factors considered by GLPI s board of directors in connection with its evaluation of the proposed transactions and the complexity of these matters, GLPI s board of directors did not consider it practical to, nor did it attempt to, quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision. GLPI s board of directors evaluated the factors described above, among others, and reached a consensus that the merger agreement and the transactions contemplated by the merger agreement, including the GLPI share issuance proposal, were in the best interests of GLPI and its shareholders and declared advisable the consummation of the transaction contemplated by the merger agreement. In considering the factors described above and any other factors, individual members of GLPI s board of directors may have viewed factors differently or given different weight or merit to different factors.

Recommendation of Pinnacle s Board of Directors and Reasons for the Merger

By unanimous vote, the Pinnacle board of directors, at a meeting held on July 20, 2015, determined that it is advisable and in the best interests of Pinnacle s stockholders to enter into the merger agreement, and unanimously approved the merger agreement and the transactions contemplated by the merger agreement,

Table of Contents

including the merger, and resolved to recommend the adoption of the merger agreement by Pinnacle s stockholders and that the adoption of the merger agreement be submitted to a vote at a meeting of Pinnacle s stockholders. **The Pinnacle board of directors recommends that Pinnacle stockholders vote FOR the merger agreement proposal, FOR the compensation proposal and FOR the Pinnacle adjournment proposal.**

In evaluating the merger agreement, the merger and the other transactions contemplated by the transaction documents (including the merger agreement), the Pinnacle board of directors consulted with Pinnacle s senior management, outside legal counsel and financial advisors. In recommending that Pinnacle s stockholders vote their shares of Pinnacle common stock in favor of adoption of the merger agreement, the Pinnacle board of directors also considered a number of factors, including the following (not necessarily in order of relative importance):

The potential for the transaction to unlock the significant embedded value in Pinnacle s real estate assets, while providing Pinnacle s stockholders with what the Pinnacle board of directors believes will be a faster time table for realizing that value relative to Pinnacle s previously announced REIT Separation Plan.

That the consideration to be paid in the merger is GLPI common stock, which provides the ability for our stockholders to benefit from an ownership stake in a substantially larger, more diversified triple-net lease REIT than if Pinnacle had pursued the REIT Separation Plan, while retaining an ownership of what Pinnacle s board believes will be a well-positioned operating company.

That, based on the shares of GLPI common stock and Pinnacle common stock outstanding, Pinnacle stockholders would have an assumed 27% *pro forma* ownership stake in GLPI upon the completion of the merger and the related transactions.

The historical trading ranges of Pinnacle s common stock and the potential trading range of such common stock absent the publicly announced merger discussions with GLPI, including following GLPI s public disclosures of its proposals on March 9, 2015 and July 7, 2015, and the possibility that absent such public disclosure it could take a considerable period of time before the trading price of Pinnacle s common stock would reach and sustain at least the equivalent value of the value implied by the merger and related transactions, as adjusted for present value.

The Pinnacle board s belief that the combined value of the merger consideration and the OpCo shares represents superior value to Pinnacle s shareholders when compared to Pinnacle on a standalone basis and the REIT Separation Plan.

Based on GLPI s stock price of $34.77 as of July 20, 2015, the fact that the merger consideration represents a valuation of Pinnacle s real estate assets at a multiple of 13.2 times Pinnacle s estimated first year annual rental payment under the master lease (after giving effect to the separation of Pinnacle s operating business) for the 2015 calendar year (based on the projections described in the section titled Certain Pinnacle Unaudited Prospective Financial Information), which valuation multiple is higher when considering the additional corporate costs needed to be incurred by PropCo pursuant to the REIT Separation Plan, allowing

Pinnacle s stockholders to receive substantial value for Pinnacle s portfolio of real property while maintaining a 100% equity interest in Pinnacle s operations.

Pinnacle s business plan and prospects of Pinnacle on a stand-alone basis and giving effect to the REIT Separation Plan, as well as the prospects of OpCo and GLPI giving effect to the proposed transaction.

The transaction with GLPI does not require Pinnacle to issue equity to finance such transaction, thereby reducing the dilution and execution risk associated with such transaction relative to the stand-alone REIT separation transaction.

Prior to authorizing the entry into the merger agreement, the Pinnacle board of directors, with the assistance of management and Pinnacle s financial and legal advisors, had considered alternatives

Table of Contents

including continuing to operate Pinnacle under its current structure, implementing the REIT Separation Plan and the possibility of transactions with third parties other than GLPI and, in this regard, specifically considered the risks associated with the REIT Separation Plan and that no other alternatives were reasonably likely to create greater certainty of value for Pinnacle stockholders than the spin-off and merger, taking into account risk of execution as well as business, competitive, industry and market risk, including the market risk of creating a second gaming REIT.

Goldman Sachs financial analysis and its opinion rendered to the Pinnacle board of directors, dated July 20, 2015, to the effect that, as of the date thereof and based upon and subject to the factors and assumptions set forth in Goldman Sachs written opinion, the exchange ratio of 0.85 shares of GLPI common stock to be paid for each share of Pinnacle common stock pursuant to the merger agreement was fair from a financial point of view to the holders (other than GLPI and its affiliates) of shares of Pinnacle common stock, as more fully described below under the heading Opinion of Pinnacle s Financial Advisor

Pinnacle publicly announced its intention to pursue a REIT separation transaction in November 2014 and GLPI publicly announced its unsolicited proposal to acquire Pinnacle s real estate assets in March 2015, providing a significant amount of time for any other company wishing to engage in discussions with Pinnacle to make its interest known.

The Pinnacle board of directors view that third parties would be unlikely to be deterred from accepting a superior proposal by the provisions of the merger agreement, including because the Pinnacle board of directors may, under certain circumstances, furnish information or enter into discussions in connection with a competing proposal. In this regard, the Pinnacle board of directors considered that:

The Pinnacle board of directors can change its recommendation to Pinnacle s stockholders with respect to the adoption of the merger agreement prior to the adoption of the merger agreement by the vote of its stockholders and, subject to its compliance with the merger agreement, if it determines in good faith (after consultation with its outside legal and financial advisors) that, with respect to a superior proposal, the failure to take such action would be reasonably likely to be inconsistent with the Pinnacle board of directors fiduciary duties and that, with respect to an intervening event, failure to take such action would be inconsistent with the Pinnacle board of directors fiduciary duties;

The structure of the transaction as a merger should allow sufficient time for a third party to make a superior proposal if it desired to do so; and

While the merger agreement contains a termination fee of $60 million that Pinnacle would be required to pay to GLPI if (i) GLPI terminates the merger agreement in connection with an adverse change in the Pinnacle board of directors recommendation to stockholders with respect to adoption of the merger agreement or (ii) under specified circumstances, if Pinnacle enters into a competing proposal within twelve months of the termination of the merger agreement, the Pinnacle board of directors believed that this fee is reasonable in light of the circumstances and the overall terms of the merger agreement, consistent with fees in comparable transactions, and not preclusive of other offers.

The other terms of the merger agreement, including the conditions to the closing of the merger, including the Pinnacle board of directors belief that while the closing of the merger is subject to various regulatory approvals, such approvals were not likely to prevent the closing of the merger;

The termination provisions in the merger agreement, including:

That the end date under the merger agreement (which may be extended by GLPI under specified circumstances) on which either party, subject to specified exceptions, can terminate the merger agreement should provide sufficient time to consummate the transaction;

The obligation of GLPI to pay Pinnacle a $150 million reverse termination fee if the merger agreement is terminated by either GLPI or Pinnacle because (i) of any injunction, order, decree or ruling relating to gaming, antitrust or related laws or any related consents or approvals or (ii) the end date has passed and certain conditions related to regulatory and gaming approvals have not been satisfied (subject to certain exceptions).

That the merger agreement does not contain a financing condition and that (i) GLPI and Merger Sub have received commitments for the GLPI s debt financing, including that such parties have delivered an executed debt financing commitment letter to provide the debt portion of the financing from reputable commercial banks and (ii) Pinnacle has received commitments for its financing obligations, including that Pinnacle has received a debt financing commitment letter to provide the portion of its financing obligations from reputable commercial banks, in each instance of (A) and (B), with significant experience in similar lending transactions and reputations for honoring the terms of their commitment letters, which increases the likelihood of such financings being completed;

That the merger agreement permits Pinnacle to seek specific performance remedies against GLPI and Merger Sub, including with respect to the debt financing commitments; and

That GLPI agreed to use reasonable best efforts, subject to certain limitations, to take all steps necessary to eliminate any impediment and obtain all consents under regulatory laws, including committing, in certain circumstances, to divest certain assets in order to obtain regulatory approvals for the merger.

That the merger agreement was unanimously approved by the Pinnacle board of directors, which is comprised of a majority of independent directors who are not affiliated with GLPI and are not employees of Pinnacle or any of its subsidiaries, and which retained and received advice from Pinnacle s outside financial and legal advisors in evaluating, negotiating and recommending the terms of the merger agreement.

The Pinnacle board of directors also considered a number of uncertainties and risks in its deliberations concerning the merger and the other transactions contemplated by the merger agreement, including the following (not necessarily in order of relative importance):

That the spin-off of Pinnacle s operations would be taxable to Pinnacle and to Pinnacle s stockholders that are treated as U.S. holders for U.S. federal income tax purposes.

The possibility that, in the Pinnacle board of directors belief, while subject to greater risk and uncertainty, over the long term the potential value to Pinnacle s stockholders of a successful completion of the REIT Separation Plan could exceed the value to Pinnacle s stockholders of the merger and related transactions.

That because the merger consideration is a fixed exchange ratio of shares of GLPI common stock to Pinnacle common stock, Pinnacle stockholders could be adversely affected by a decrease in the trading price of GLPI common stock as the merger agreement does not provide for any adjustment of the exchange ratio if the trading price of GLPI common stock decreases and does not provide a price-based termination right to

Pinnacle.

That under the terms of the merger agreement, Pinnacle is unable to solicit other competing proposals during the pendency of the merger.

That, under specified circumstances, Pinnacle may be required to pay fees and expenses in the event the merger agreement is terminated and the effect this could have on Pinnacle, including:

The possibility that the termination fee could discourage other potential parties from making a competing offer; although the Pinnacle board of directors believed that the termination fee was reasonable in amount and would not unduly deter any other party that might be interested in making a competing proposal;

Table of Contents

If the merger is not consummated, Pinnacle may be required to pay its own expenses associated with the merger agreement and the transactions contemplated thereby; and

The requirement that if the merger agreement is terminated as a result of the failure to obtain approval of Pinnacle s stockholders, Pinnacle would be obligated to reimburse GLPI for up to $20 million of its and its affiliates expenses in connection with the merger agreement.

That Pinnacle cannot terminate the merger agreement to enter into a superior proposal and the possibility that this could discourage potential parties from making a competing offer.

The significant costs involved in connection with entering into and completing the merger, the spin-off and the transactions contemplated thereby, and the substantial time and effort of management required to complete the merger, which may disrupt Pinnacle s business operations, although Pinnacle s board believed that the costs, time and effort would not be greater and might be less than those associated with the REIT Separation Plan.

That the merger and the related transactions require regulatory approvals to complete such transactions and the risk that the applicable governmental entities may seek to impose unfavorable terms or conditions, or otherwise fail to grant, such approvals.

The inability to execute the REIT Separation Plan on the previously announced time frame and the increased risk associated with such execution in the event the merger agreement is terminated.

The possibility that the merger might not be consummated, including:

That the reverse termination fee is not available in all instances where the merger agreement is terminated and may be Pinnacle s only recourse where it is available.

That, even if the merger agreement is approved by Pinnacle s stockholders, GLPI s shareholders may not approve the transaction.

That, although GLPI and Pinnacle must each use reasonable best efforts to obtain the financing contemplated by their respective debt commitment letters, there is a risk that such financings might not be obtained.

That, even if the merger agreement is approved by Pinnacle s stockholders and GLPI s stockholders, there can be no assurance that all other conditions to the parties obligations to complete the merger will be satisfied.

That Pinnacle s directors and executive officers may have interests in the merger that may be different from, or in addition to, those of Pinnacle s stockholders. For more information about such interests, see below under the heading Interests of Certain Pinnacle Persons in the Merger.

Risks of the type and nature described under the sections titled Risk Factors and Cautionary Statements Regarding Forward-Looking Statements.

The Pinnacle board of directors believed that, overall, the potential benefits of the merger to Pinnacle s stockholders outweighed the risks and uncertainties of the merger.

The foregoing discussion of factors considered by the Pinnacle board of directors is not intended to be exhaustive, but includes the material factors considered by the Pinnacle board of directors. In light of the variety of factors considered in connection with its evaluation of the merger, the Pinnacle board of directors did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determinations and recommendations. Moreover, each member of the Pinnacle board of directors applied his or her own personal business judgment to the process and may have given different weight to different factors. The Pinnacle board of directors did not undertake to make any specific determination as to whether any factor, or any particular aspect of any factor, supported or did not support its ultimate determination. The Pinnacle board of directors based its recommendation on the totality of the information presented.

Certain GLPI Unaudited Prospective Financial Information

Other than quarterly and annual financial guidance provided to investors, which it may update from time to time, GLPI does not as a matter of course make public projections as to future performance, revenues, earnings or other financial results due to, among other reasons, the uncertainty of the underlying assumptions and estimates. However, GLPI is including in this joint proxy statement/prospectus certain unaudited prospective financial information that was made available to GLPI s financial advisor and Pinnacle in connection with the merger. The inclusion of this information should not be regarded as an indication that any of GLPI, Pinnacle, Morgan Stanley, their respective representatives or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results, or that it should be construed as financial guidance, and it should not be relied on as such.

GLPI s management approved the use of the following unaudited prospective financial information. This information was prepared solely for internal use and is subjective in many respects. While presented with numeric specificity, the unaudited prospective financial information reflects numerous estimates and assumptions made with respect to business, economic, market, competition, regulatory and financial conditions and matters specific to GLPI s business, all of which are difficult to predict and many of which are beyond GLPI s control. The unaudited prospective financial information reflects both assumptions as to certain business decisions that are subject to change and, in many respects, subjective judgment, and thus is susceptible to multiple interpretations and periodic revisions based on actual experience and business developments. GLPI can give no assurance that the unaudited prospective financial information and the underlying estimates and assumptions will be realized. In addition, since the unaudited prospective financial information covers multiple years, such information by its nature becomes less predictive with each successive year. Actual results may differ materially from those set forth below, and important factors that may affect actual results and cause the unaudited prospective financial information to be inaccurate include, but are not limited to, risks and uncertainties relating to GLPI s business, gaming industry, general business and economic conditions, tenant relationships, competition and adverse changes in applicable laws, regulations or rules. For other factors that could cause actual results to differ, please see the sections entitled Risk Factors and Cautionary Statements Regarding Forward-Looking Statements.

The unaudited prospective financial information was not prepared with a view toward public disclosure, nor was it prepared with a view toward compliance with GAAP, published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither GLPI s independent registered public accounting firm, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the unaudited prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability.

Furthermore, the unaudited prospective financial information does not take into account any circumstances or events occurring after the date it was prepared. GLPI can give no assurance that, had the unaudited prospective financial information been prepared either as of the date of the merger agreement or as of the date of this joint proxy statement/prospectus, similar estimates and assumptions would be used. GLPI does not intend to, and disclaims any obligation to, make publicly available any update or other revision to the unaudited prospective financial information to reflect circumstances existing since their preparation or to reflect the occurrence of unanticipated events, even in the event that any or all of the underlying assumptions are shown to be in error, or to reflect changes in general economic or industry conditions. The unaudited prospective financial information does not take into account all the possible financial and other effects on GLPI of the merger, the effect on GLPI of any business or strategic decision or action that has been or will be taken as a result of the merger agreement having been executed, or the effect of any business or strategic decisions or actions which would likely have been taken if the merger agreement had not been executed, but which were instead altered, accelerated, postponed or not taken in anticipation of the merger. Further, the unaudited prospective financial information does not take into account the effect on GLPI of any possible failure of the merger to occur. None of GLPI, Pinnacle or

Table of Contents

Morgan Stanley or their respective affiliates, officers, directors, advisors or other representatives has made, makes or is authorized in the future to make any representation to any stockholder of GLPI or other person regarding GLPI s ultimate performance compared to the information contained in the unaudited prospective financial information or that the forecasted results will be achieved. The inclusion of the unaudited prospective financial information herein should not be deemed an admission or representation by GLPI, Pinnacle, Morgan Stanley or any other person that it is viewed as material information of GLPI, particularly in light of the inherent risks and uncertainties associated with such forecasts. The summary of the unaudited prospective financial information included below is not being included to influence your decision whether to vote in favor of the share issuance or any other proposal to be considered at the special meeting, but is being provided solely because it was made available to GLPI s financial advisor and to Pinnacle in connection with the merger.

In light of the foregoing, and considering that the special meeting will be held several months after the unaudited prospective financial information was prepared, as well as the uncertainties inherent in any forecasted information, GLPI shareholders are cautioned not to place unwarranted reliance on such information, and GLPI urges all GLPI shareholders to review GLPI s most recent SEC filings for a description of GLPI s reported financial results. See the section titled Where You Can Find More Information.

The following table presents GLPI unaudited prospective financial information for the years ending December 31, 2015 through 2019 that was used for purposes of considering, analyzing and evaluating GLPI s performance on a stand-alone basis. The following unaudited prospective financial information was provided to Morgan Stanley and Pinnacle and discussed by GLPI with each such party and, in the case of Morgan Stanley, used in connection with its fairness opinion to the GLPI board of directors:

	Years Ending December 31,				
	2015	**2016**	**2017**	**2018**	**2019**
			$ in millions		
Total rent	**$ 444,397**	**$ 445,354**	**$ 447,225**	**$ 447,409**	**$ 440,739**
Total net revenue	**644,014**	**643,784**	**647,020**	**649,366**	**645,667**
Adjusted EBITDA	**438,557**	**445,853**	**457,129**	**457,424**	**451,014**
Net income	**189,843**	**193,422**	**206,313**	**206,962**	**201,822**
Funds from operations	**285,425**	**290,996**	**303,887**	**304,536**	**299,396**
Adjusted funds from operations	**321,286**	**328,289**	**340,359**	**341,713**	**337,167**
Dividends	**250,716**	**261,292**	**272,406**	**273,370**	**269,733**

The unaudited prospective financial information provided above reflects net interest expense calculated based on prevailing market rates at the time Morgan Stanley delivered its fairness opinion to the GLPI board of directors, which resulted in a difference in net income, FFO and AFFO of approximately $1 million or less for each of the periods as compared to the projections provided to Pinnacle. Adjusted EBITDA, funds from operations (FFO) and adjusted funds from operations (AFFO) are non-GAAP measures. GLPI s management included Adjusted EBITDA, FFO and AFFO in the unaudited prospective financial information because management believed such measures are useful for benchmarking against the Company s peers and as internal measures of business operating performance. GLPI believes FFO, AFFO, and Adjusted EBITDA provide a meaningful perspective of the underlying operating performance of GLPI s current business. This is especially true since these measures exclude real estate depreciation, and GLPI believes that real estate values fluctuate based on market conditions rather than depreciating in value ratably on a straight-line basis over time. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in accordance with GAAP. GLPI s calculation of non-GAAP measures may differ from others in its industry and is not necessarily

Table of Contents

comparable with similar titles used by other companies. The following table presents the reconciliation net income per GAAP to FFO, AFFO, and Adjusted EBITDA:

	Years Ending December 31,				
	2015	2016	2017	2018	2019
			$ in millions		
Net income	**$ 189,843**	**$ 193,422**	**$ 206,313**	**$ 206,962**	**$ 201,822**
Real estate depreciation	95,580	97,574	97,574	97,574	97,574
Losses from dispositions of property	2				
Funds from operations	**$ 285,425**	**$ 290,996**	**$ 303,887**	**$ 304,536**	**$ 299,396**
Other depreciation	14,516	12,950	12,950	12,950	12,950
Debt issuance costs amortization	8,076	8,076	8,076	8,076	8,076
Stock based compensation	16,742	20,267	19,446	20,151	20,745
Maintenance capital expenditures	(3,474)	(4,000)	(4,000)	(4,000)	(4,000)
Adjusted funds from operations	**$ 321,286**	**$ 328,289**	**$ 340,359**	**$ 341,713**	**$ 337,167**
Interest, net	115,175	115,608	114,648	113,362	111,207
Income tax expense	6,698	6,032	6,197	6,425	6,716
Maintenance capital expenditures	3,474	4,000	4,000	4,000	4,000
Debt issuance costs amortization	(8,076)	(8,076)	(8,076)	(8,076)	(8,076)
Adjusted EBITDA	**$ 438,557**	**$ 445,853**	**$ 457,129**	**$ 457,424**	**$ 451,014**

In addition, the following table presents unaudited prospective financial information for the years ending December 31, 2016 through 2020 that was used for purposes of considering, analyzing and evaluating PropCo s total annual rent and related maintenance capital expenditures. The following unaudited prospective financial information was provided to Morgan Stanley and Pinnacle and discussed by GLPI with each such party and, in the case of Morgan Stanley, used in connection with its fairness opinion to the GLPI board of directors:

	Years Ending December 31,				
	2016	2017	2018	2019	2020
			$ in millions		
Total annual rent	**$ 377,000**	**$ 382,784**	**$ 390,920**	**$ 396,937**	**$ 406,211**
Maintenance capital expenditures	**(1,000)**	**(1,000)**	**(1,000)**	**(1,000)**	**(1,000)**

Certain Pinnacle Unaudited Prospective Financial Information

Pinnacle does not as a matter of course make public projections as to future performance, revenues, earnings or other financial results due to, among other reasons, the uncertainty of the underlying assumptions and estimates. However, in connection with Pinnacle s planning process in connection with the merger, Pinnacle s management prepared certain unaudited internal financial forecasts with respect to PropCo and OpCo, which were provided to the Pinnacle board and to Pinnacle s financial advisor, Goldman Sachs, in connection with its financial analyses and opinion. In the course of Pinnacle s evaluation of the GLPI business, Pinnacle s management also received GLPI projections from GLPI as described in Certain GLPI Unaudited Prospective Financial Information and performed certain adjustments to those projections, which adjusted forecasts were also provided to the Pinnacle board and Goldman Sachs. The inclusion of this information should not be regarded as an indication that any of GLPI, Pinnacle, Goldman Sachs, their respective representatives or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results, or that it should be construed as financial guidance, and it should not be relied on as such.

This information was prepared solely for internal use and is subjective in many respects. While presented with numeric specificity, the unaudited prospective financial information reflects numerous estimates and assumptions made with respect to business, economic, market, competition, regulatory and financial conditions, including with respect to the accounting treatment of the merger and the spin-off under GAAP, and matters specific to Pinnacle s and GLPI s business, all of which are difficult to predict and many of which are beyond Pinnacle s control. The unaudited prospective financial information reflects both assumptions as to certain business decisions that are subject to change and, in many respects, subjective judgment, and thus is susceptible to multiple interpretations and periodic revisions based on actual experience and business developments. Pinnacle and GLPI can give no assurance that the unaudited prospective financial information and the underlying estimates and assumptions will be realized. In addition, since the unaudited prospective financial information covers multiple years, such information by its nature becomes less predictive with each successive year. Actual results may differ materially from those set forth below, and important factors that may affect actual results and cause the unaudited prospective financial information to be inaccurate include, but are not limited to, risks and uncertainties relating to Pinnacle s and GLPI s business, gaming industry, general business and economic conditions, tenant relationships, competition and adverse changes in applicable laws, regulations or rules. For other factors that could cause actual results to differ, please see the sections entitled Risk Factors and Cautionary Statements Regarding Forward-Looking Statements.

The unaudited prospective financial information was not prepared with a view toward public disclosure, nor was it prepared with a view toward compliance with GAAP, published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither Pinnacle s independent registered public accounting firm, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the unaudited prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability. The unaudited prospective financial information provided below assumes that the contemplated transaction qualified for sale leaseback accounting and the Master Lease was accounted for as an operating lease. Subsequently, Pinnacle has determined that the transaction will not qualify for sale leaseback accounting. EBITDA, EBITDAR and AFFO are non-GAAP measurements. Pinnacle defines EBITDA as earnings before interest income and expense, income taxes, depreciation, amortization, pre-opening, development and other costs, non-cash share-based compensation, asset impairment costs, write-downs, reserves, recoveries, corporate-level litigation settlement costs, gain (loss) on sale of certain assets, loss on early extinguishment of debt, gain (loss) on sale of equity security investments, income (loss) from equity method investments, non-controlling interest and discontinued operations. Pinnacle defines EBITDAR as EBITDA excluding rent expense associated with a master lease. Pinnacle defines AFFO as net income (computed in accordance with generally accepted accounting principles), excluding (gains) or losses from sales of property and real estate depreciation and excluding stock based compensation expense, debt issuance costs amortization and other depreciation reduced by capital maintenance expenditures.

Furthermore, the unaudited prospective financial information does not take into account any circumstances or events occurring after the date it was prepared. Pinnacle and GLPI can give no assurance that, had the unaudited prospective financial information been prepared either as of the date of the merger agreement or as of the date of this joint proxy statement/prospectus, similar estimates and assumptions would be used. Pinnacle and GLPI do not intend to, and disclaim any obligation to, make publicly available any update or other revision to the unaudited prospective financial information to reflect circumstances existing since their preparation or to reflect the occurrence of unanticipated events, even in the event that any or all of the underlying assumptions are shown to be in error, including with respect to the accounting treatment of the merger and the spin-off under GAAP, or to reflect changes in general economic or industry conditions. The unaudited prospective financial information does not take into account all the possible financial and other effects on Pinnacle or GLPI of the merger or spin-off, the effect on Pinnacle of any business or strategic decision or action that has been or will be taken as a result of the merger agreement having been executed, or the effect of any business or strategic decisions or actions which would likely have been taken if the merger agreement had not been executed, but which were instead altered, accelerated, postponed or not taken in anticipation of the merger or spin-off. Further, the unaudited prospective financial information does not take into account the effect on Pinnacle or GLPI of any possible failure of the merger to occur. None of GLPI, Pinnacle or Goldman Sachs or their respective affiliates, officers, directors, advisors or other representatives has made, makes or is authorized in the future to make any representation to any stockholder of Pinnacle or GLPI or other person regarding Pinnacle s or GLPI s ultimate performance compared to the information contained in the unaudited prospective financial information or that the forecasted results will be achieved. The inclusion of the unaudited prospective financial information herein should not be deemed an admission or representation by GLPI, Pinnacle, Goldman Sachs or any other person that it is viewed as material information of Pinnacle or GLPI, particularly in light of the inherent risks and uncertainties associated with such forecasts. The summary of the unaudited prospective financial information included below is not being included to influence your decision whether to vote in favor of the merger, share issuance or any other proposal to be considered at the special meeting, but is being provided solely because it was made available to Pinnacle s financial advisor in connection with the merger.

In light of the foregoing, and considering that the special meeting will be held several months after the unaudited prospective financial information was prepared, as well as the uncertainties inherent in any forecasted information, Pinnacle and GLPI stockholders are cautioned not to place unwarranted reliance on such information, and Pinnacle and GLPI urge all Pinnacle stockholders to review Pinnacle s most recent SEC filings for a description of Pinnacle s reported financial results and GLPI s most recent SEC filings for a description of GLPI s reported financial results. See the section titled Where You Can Find More Information.

The following table presents a summary of the internal financial forecasts for PropCo (assuming it had been spun-off from Pinnacle at the end of the 2016 calendar year as contemplated by Pinnacle s standalone REIT Separation Plan) for fiscal year 2017 fiscal year 2019, that were prepared by Pinnacle s management and presented to Pinnacle s board:

	Projected(1)		
$ in millions	**2017**	**2018**	**2019**
Revenue	$ 378	$ 384	$ 392
EBITDA	$ 357	$ 361	$ 369
AFFO	$ 240	$ 241	$ 246

(1) Assumes initial PropCo leverage of 6.1x year one EBITDA.

The forecasts for PropCo presented above (along with forecasts for the 9 month period in 2016) were adjusted for use in the financial analyses performed by Goldman Sachs, which adjustments included reflecting PropCo as a going concern and assuming certain PropCo general and administrative costs. The following table presents a summary of such adjusted forecasts for PropCo for fiscal year 2016 (9 months) fiscal year 2019:

	Projected(1)			
$ in millions, except per share data	**2016 (9 Months)**	**2017**	**2018**	**2019**
Total Net Revenue	$ 283	$ 381	$ 389	$ 395
EBITDA	$ 268	$ 362	$ 367	$ 373
AFFO	$ 204	$ 277	$ 282	$ 288
AFFO per Share(2)	$ 2.16	$ 2.93	$ 2.98	$ 3.04

(1) Assumes initial PropCo leverage of 5.5x year one EBITDA.
(2) Assumes fully diluted shares outstanding (inclusive of an assumed equity raise to achieve the leverage target noted above) of 94.6 million for each year.

85

Table of Contents

The following table presents a summary of the internal financial forecasts prepared by Pinnacle s management relating to standalone projections for OpCo for fiscal year 2016 (9 months) fiscal year 2019, which were prepared by Pinnacle s management and approved by Pinnacle s board and management for use by Goldman Sachs:

	Projected			
$ in millions	**9 Mos 2016**	**2017**	**2018**	**2019**
Revenue	$ 1,786	$ 2,434	$ 2,483	$ 2,527
EBITDAR	$ 484	$ 678	$ 699	$ 712
EBITDA	$ 201	$ 297	$ 310	$ 317

Pinnacle was provided with certain GLPI financial forecasts that were prepared by GLPI management. Subsequently, Pinnacle management made certain adjustments to the forecasts (reflecting assumed acquisition activity but not the acquisition of PropCo). These adjusted GLPI financial forecasts were provided to the Pinnacle board and Goldman Sachs. The following is a summary of the adjusted GLPI financial forecasts for the fiscal years 2015 2019:

	Projected				
$ in millions, except per share data	**2015**	**2016**	**2017**	**2018**	**2019**
Total Net Revenue	$ 644	$ 682	$ 724	$ 765	$ 800
EBITDA	$ 439	$ 484	$ 534	$ 573	$ 605
AFFO	$ 320	$ 355	$ 395	$ 424	$ 447
AFFO per Share(1)	$ 2.70	$ 2.73	$ 2.81	$ 2.84	$ 2.83

(1) Assumes shares outstanding of 118.8 million, 129.8 million, 140.9 million, 149.4 million and 157.8 million in years 2015, 2016, 2017, 2018 and 2019 respectively.

Pinnacle management made certain additional adjustments to the forecasts prepared by GLPI management (reflecting both assumed acquisition activity and the acquisition of PropCo for the years presented below). These adjusted GLPI financial forecasts were provided to the Pinnacle board and approved by Pinnacle s board and management for use by Goldman Sachs. The following is a summary of the adjusted GLPI financial forecasts for the fiscal years 2015 2019:

	Projected				
$ in millions, except per share data	**2015**	**2016**	**2017**	**2018**	**2019**
Total Net Revenue	$ 1,021	$ 1,059	$ 1,105	$ 1,154	$ 1,195
EBITDA	$ 816	$ 861	$ 915	$ 962	$ 1,000
AFFO	$ 609	$ 644	$ 689	$ 725	$ 754
AFFO per Share(1)	$ 2.91	$ 2.92	$ 2.98	$ 3.03	$ 3.05

(1) Assumes shares outstanding (inclusive of an assumed equity raise) of 209.6 million, 220.2 million, 231.0 million, 239.2 million and 247.4 million in years 2015, 2016, 2017, 2018 and 2019 respectively.

Opinion of GLPI s Financial Advisor

The GLPI board of directors retained Morgan Stanley to provide it with financial advisory services in connection with the proposed transactions. The GLPI board of directors selected Morgan Stanley to act as its financial advisor based on Morgan Stanley s qualifications, expertise and reputation, its knowledge of and involvement in recent transactions in GLPI s industry and its knowledge of the business and affairs of GLPI. As part of this engagement, the GLPI board of directors requested that Morgan Stanley evaluate the fairness from a financial point of view to GLPI of the exchange ratio pursuant to the merger agreement. On July 19, 2015, at a meeting of the GLPI board of directors, Morgan Stanley rendered its oral opinion, subsequently confirmed by delivery of a written opinion dated July 20, 2015 that, as of that date and based upon and subject to the various assumptions

Table of Contents

made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken by Morgan Stanley as set forth in the written opinion, the exchange ratio was fair from a financial point of view to GLPI.

The full text of the written opinion of Morgan Stanley delivered to the GLPI board of directors, dated as of July 20, 2015, is attached to this joint proxy statement/prospectus as Annex B and is incorporated herein by reference in its entirety. You should read Morgan Stanley s opinion and this summary of Morgan Stanley s opinion carefully and in their entirety for a discussion of the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken by Morgan Stanley in rendering its opinion. This summary is qualified in its entirety by reference to the full text of such opinion. Morgan Stanley s opinion was directed to the GLPI board of directors, in its capacity as such, and addressed only the fairness from a financial point of view of the exchange ratio as of the date of such opinion and does not address any other aspects of the transactions. Morgan Stanley s opinion did not address any other aspects or implications of the transactions. It was not intended to, and does not, constitute advice or a recommendation to any holder of shares of GLPI common stock as to how to vote at the GLPI special meeting or whether to take any other action with respect to the transactions.

In connection with rendering its opinion, Morgan Stanley, among other things:

(a) reviewed certain publicly available financial statements and other business and financial information of Pinnacle and GLPI, respectively;

(b) reviewed certain internal financial statements and other financial and operating data concerning Pinnacle, PropCo and GLPI, respectively;

(c) reviewed certain financial projections prepared by the managements of Pinnacle and GLPI, respectively;

(d) discussed the past and current operations and financial condition and the prospects of Pinnacle and PropCo with senior executives of Pinnacle;

(e) discussed the past and current operations and financial condition and the prospects of GLPI with senior executives of GLPI;

(f) reviewed the pro forma impact of the merger and the distribution on GLPI s adjusted funds from operations per share, cash flow, consolidated capitalization and financial ratios;

(g) reviewed the reported prices and trading activity for Pinnacle common stock and GLPI common stock;

(h)

compared the financial performance of PropCo and GLPI and the prices and trading activity of GLPI common stock with that of certain other publicly-traded companies comparable with GLPI and its securities;

(i) reviewed the target valuations of PropCo provided by certain analysts who provide research coverage of Pinnacle;

(j) participated in certain discussions and negotiations among representatives of Pinnacle and GLPI and their financial and legal advisors;

(k) reviewed the transaction documents and certain related documents; and

(l) performed such other analyses, reviewed such other information and considered such other factors as Morgan Stanley deemed appropriate.

In arriving at its opinion, Morgan Stanley assumed and relied upon, without independent verification, the accuracy and completeness of the information that was publicly available or supplied or otherwise made available to it by Pinnacle and GLPI, and formed a substantial basis for its opinion. With respect to the financial projections, Morgan Stanley assumed that they had been reasonably prepared on bases reflecting the best currently available estimates and judgments of the respective managements of Pinnacle and GLPI of the future financial performance of PropCo and GLPI. In addition, Morgan Stanley assumed that the transactions would be consummated in accordance with the terms set forth in the merger agreement and the other transaction documents without any waiver, amendment or delay of any terms or conditions, the effect of which would be in any way material to its analysis and that the final documents would not differ in any material respect from the drafts provided to Morgan Stanley. Morgan Stanley assumed that, in connection with the receipt of all the necessary governmental, regulatory or other approvals and consents required for the proposed transactions, no delays, limitations, conditions or restrictions would be imposed that would have a material adverse effect on the contemplated benefits expected to be derived in the proposed transactions. Morgan Stanley is not a legal, tax or regulatory advisor. Morgan Stanley is a financial advisor only and relied upon, without independent verification, the assessment of GLPI and Pinnacle and their legal, tax or regulatory advisors with respect to legal, tax or regulatory matters. Morgan Stanley expressed no opinion with respect to the fairness of the amount or nature of any compensation to any of Pinnacle s officers, directors or employees, or any class of such persons, relative to the consideration to be paid to the holders of Pinnacle common stock in the merger. Morgan Stanley did not make any independent valuation or appraisal of the assets or liabilities of Pinnacle, PropCo or GLPI, nor was it furnished with any such valuations or appraisals. Morgan Stanley s opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to it as of, the date of the opinion. Events occurring after such date may affect Morgan Stanley s opinion and the assumptions used in preparing it, and Morgan Stanley did not assume any obligation to update, revise or reaffirm its opinion.

Morgan Stanley s opinion was limited to the fairness, from a financial point of view, of the exchange ratio to GLPI and did not address the relative merits of the merger as compared to any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available, nor does it address the underlying business decision of GLPI to enter into the transaction documents.

Summary of Financial Analyses of Morgan Stanley

The following is a brief summary of the material financial analyses performed by Morgan Stanley in connection with its oral opinion and the preparation of its written opinion letter to the GLPI board of directors, dated July 20, 2015. The following summary is not a complete description of the financial analyses performed and factors considered by Morgan Stanley in connection with its opinion, nor does the order of analyses described represent the relative importance or weight given to those analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before July 15, 2015, the most recent practicable trading day prior to Morgan Stanley s initial presentation to the GLPI board of directors of its financial analysis on July 17, 2015. Some of these summaries of financial analyses include information presented in tabular format. In order to fully understand the financial analyses used by Morgan Stanley, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. The analyses listed in the tables and described below must be considered as a whole. Assessing any portion of such analyses and of the factors reviewed, without considering all analyses and factors, could create a misleading or incomplete view of the process underlying Morgan Stanley s respective opinion. Furthermore, mathematical analysis (such as determining the average or median) is not in itself a meaningful method of using the data referred to below.

In performing the financial analyses summarized below and in arriving at its opinion, Morgan Stanley utilized and relied upon certain financial projections provided by the managements of Pinnacle and GLPI and which are described below. For further information regarding the financial projections, see the sections titled Certain GLPI Unaudited Prospective Financial Information and Certain Pinnacle Unaudited Prospective Financial Information.

Analyses Relating to PropCo

Ratio of Enterprise Value to Estimated 2016 EBITDA Based on Research Analyst Estimates

Morgan Stanley reviewed equity research analyst estimates of the ratio of enterprise value to estimated earnings before interest, taxes, depreciation and amortization (EBITDA), for calendar year 2016 for PropCo, which

Table of Contents

included estimates published by nine equity research analysts. Based on this review, Morgan Stanley selected a reference range of 12.5x to 14.5x using the 25th and 75th percentile of the equity research analysts estimates and applied the selected reference range to PropCo s estimated EBITDA for the calendar year 2016 of $377 million (assumed to be year 1 annual lease income), and rounded to the nearest $25 million, to derive an implied reference range for the enterprise value of PropCo of $4.725 billion to $5.475 billion. Morgan Stanley then derived an implied reference range for the equity value of PropCo by subtracting the pro forma implied net debt and accrued interest of PropCo of $2.76 billion from the implied reference range for the enterprise value of PropCo. Morgan Stanley then derived an implied reference range for the equity value per share of PropCo by dividing the implied reference range for equity value of PropCo by the fully diluted shares outstanding of PropCo, which was calculated utilizing the treasury stock method based on 60.5 million shares of Pinnacle common stock outstanding, 5.4 million Pinnacle Options with a weighted average exercise price of $15.36, 1.4 million non-vested restricted stock units and 0.5 million non-vested performance stock units. This implied reference range for equity value per share for PropCo was then divided by GLPI s share price as of July 15, 2015 of $34.82, and rounded to the nearest 0.005, to derive a reference range for the exchange ratio implied by the equity research analysts estimates of 0.8700 to 1.1850. Morgan Stanley noted that this implied exchange ratio reference range exceeded the exchange ratio pursuant to the merger agreement.

The estimates published by equity research analysts do not necessarily reflect the value of PropCo that would result from a trading market and these estimates are subject to uncertainties, including the future financial performance of PropCo and future financial market conditions.

Comparable Companies PropCo

Morgan Stanley reviewed and compared certain internal financial information and ratios relating to PropCo, with equivalent publicly available data for companies that share similar business and lease characteristics with PropCo to derive an implied reference range for the enterprise value of PropCo. For this analysis, Morgan Stanley reviewed statistics for GLPI as well as the following triple-net lease REITs that are publicly traded, which it divided into Large Cap Companies and Mid Cap Companies based on the enterprise value of such companies:

Large Cap Companies

American Realty Capital Properties, Inc. (recently changed its name to VEREIT, Inc.)

National Retail Properties, Inc.

Realty Income Corporation

Spirit Realty Capital, Inc.

W.P. Carey Inc.

Mid Cap Companies

Agree Realty Corporation

Chambers Street Properties

EPR Properties

Getty Realty Corp.

Gramercy Property Trust Inc.

Lexington Realty Trust

Select Income REIT

STAG Industrial, Inc.

STORE Capital Corporation

Table of Contents

For purposes of this analysis, Morgan Stanley analyzed the statistics for each of these companies for comparison purposes, including the ratio of enterprise value to Wall Street research consensus estimated EBITDA for calendar year 2015 and the ratio of share price to Wall Street research consensus estimated adjusted funds from operations (AFFO), per share for calendar year 2015. For each of the comparable companies, the ratios were calculated using such comparable company s closing price on July 15, 2015 and was based on the most recent publicly available information and Wall Street research consensus estimates as of such date. Morgan Stanley derived a multiple range for each metric separately for each of GLPI, the Large Cap Companies and the Mid Cap Companies using the 25th and 75th percentile of the applicable comparable companies, with the percentiles for GLPI derived using the 25th percentile and the 75th percentile of the multiple range derived utilizing trading prices for GLPI common stock between March 31, 2014 until March 6, 2015, the last trading day prior to GLPI s first public announcement of its interest in an acquisition of Pinnacle s real property assets. Based on the results of this analysis, Morgan Stanley then applied the selected multiple ranges to PropCo s estimated EBITDA for the calendar year 2015 of $377 million (assumed to be year 1 annual lease income) and estimated AFFO for the calendar year 2015 of $286 million (assumed to be year 1 annual lease income less estimated capital expenditures and interest payments), as applicable, and rounded to the nearest $25 million, to derive an implied reference range for the enterprise value of PropCo. Under the scenarios where the selected multiple ranges were applied to PropCo s estimated AFFO, the resulting equity value was adjusted to reflect management s forecast of pro forma implied net debt and accrued interest of PropCo of $2.76 billion.

The following table reflects the results of this analysis:

	Enterprise Value / 2015E EBITDA				Price / 2015E AFFO			
	Multiple Range		Value Range (in $MM)		Multiple Range		Value Range (in $MM)	
	Low	High	Low	High	Low	High	Low	High
GLPI	14.9x	15.5x	$ 5,600	$ 5,850	12.0x	13.2x	$ 5,500	$ 5,850
Large Cap Companies	15.0x	17.3x	$ 5,650	$ 6,525	12.1x	16.5x	$ 5,525	$ 6,775
Mid Cap Companies	12.7x	15.1x	$ 4,800	$ 5,675	11.5x	14.3x	$ 5,350	$ 6,150

Morgan Stanley then derived an implied reference range of exchange ratios implied by the above reference ranges for enterprise value. Morgan Stanley derived an implied reference range for the equity value of PropCo by subtracting the implied reference range for the enterprise value of PropCo by the pro forma implied net debt and accrued interest of PropCo of $2.76 billion. Morgan Stanley then derived an implied reference range for the equity value per share of PropCo by dividing the implied reference range for equity value of PropCo by the fully diluted shares outstanding of PropCo, which was calculated utilizing the treasury stock method based on 60.5 million shares of Pinnacle common stock outstanding, 5.4 million Pinnacle Options with a weighted average exercise price of $15.36, 1.4 million non-vested restricted stock units and 0.5 million non-vested performance stock units. This implied reference range for equity value per share for PropCo was then divided by GLPI s share price as of July 15, 2015 of $34.82 and rounded to the nearest 0.005. The following table sets forth the results of this analysis:

	Exchange Ratios Implied By			
	Enterprise Value / 2015E EBITDA		Price / 2015E AFFO	
	Low	High	Low	High
GLPI	1.2400	1.3450	1.1950	1.3450
Large Cap Companies	1.2600	1.6300	1.2100	1.7400

Mid Cap Companies	0.9000	1.2700	1.1350	1.4750

Morgan Stanley compared the implied range of exchange ratios resulting from this analysis to the exchange ratio pursuant to the merger agreement and noted that the implied exchange ratios by both metrics analyzed for each set of comparable companies exceeded the exchange ratio.

No company utilized in the comparable company analysis is identical to PropCo. In evaluating comparable companies, Morgan Stanley made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, which are beyond PropCo s control such

90

as the impact of competition on PropCo and the industry generally, industry growth, and the absence of any adverse material change in the financial condition and prospects of PropCo or the industry, or in the financial markets in general.

Discounted Cash Flow Analysis PropCo

Morgan Stanley performed a discounted cash flow analysis to calculate an implied reference range for enterprise values of PropCo based on the present value of the cash flows that PropCo s business was forecasted to generate during the fiscal years ending December 31, 2016 through December 31, 2020 utilizing internal estimates of GLPI s management, which for these purposes Morgan Stanley assumed cash flow to be equal to estimated lease income less estimated capital expenditures. Morgan Stanley derived a range of implied terminal values by applying GLPI s range of multiples for enterprise value to estimated EBITDA for the calendar year 2015 used in *Comparable Companies PropCo* above to GLPI s estimated EBITDA (i.e., lease income) for the calendar year ended 2020. Present values (as of December 31, 2015) of estimated after tax cash flows and the terminal value were then calculated by Morgan Stanley using a discount rate range of 5.4% to 6.7%, which was derived based on GLPI s weighted average cost of capital utilizing the capital asset pricing model, and the resulting enterprise values were then rounded to the nearest $25 million.

This analysis resulted in an implied reference range for enterprise values of PropCo of $5.90 billion to $6.45 billion. Morgan Stanley derived an implied reference range for the equity value of PropCo by subtracting the pro forma implied net debt and accrued interest of PropCo of $2.76 billion from the implied reference range for the enterprise value of PropCo. Morgan Stanley then derived an implied reference range for the equity value per share of PropCo by dividing the implied reference range for equity value of PropCo by the fully diluted shares outstanding of PropCo, which was calculated utilizing the treasury stock method based on 60.5 million shares of Pinnacle common stock outstanding, 5.4 million Pinnacle Options with a weighted average exercise price of $15.36, 1.4 million non-vested restricted stock units and 0.5 million non-vested performance stock units. This implied reference range for equity value per share for PropCo was then divided by GLPI s share price as of July 15, 2015 of $34.82, and rounded to the nearest 0.005, to derive a reference range for the exchange ratio implied by this discounted cash flow analysis of 1.3650 to 1.6000. Morgan Stanley compared the implied exchange ratio reference range resulting from this analysis to the exchange ratio pursuant to the merger agreement and noted that the implied exchange ratios for this analysis exceeded the exchange ratio.

Analyses Relating to GLPI

Historical Trading Prices GLPI

Morgan Stanley reviewed the historical trading prices for GLPI common stock and noted the high and low trading prices for three time periods: the 52 weeks prior to the March 9 public announcement of GLPI s interest in an acquisition of Pinnacle s real property assets, the year-to-date trading range prior to the March 9 public announcement and the period from the March 9 public announcement through July 15, 2015, and rounded to the nearest $0.25. The results of this review are as follows:

	52 Weeks Prior to	**Year-to-Date Prior to March 9 Public Announcement**	**From March 9 Public Announcement through July 15, 2015**

	March 9 Public Announcement					
	Low	**High**	**Low**	**High**	**Low**	**High**
GLPI Trading Price	$ 27.75	$ 39.00	$ 28.25	$ 34.25	$ 34.00	$ 38.25

Discounted Research Analyst Price Targets GLPI

Morgan Stanley reviewed public market trading price targets for GLPI s common stock prepared and published by 11 equity research analysts who provided a price target for GLPI prior to July 15, 2015. Morgan Stanley reviewed the most recent price target published by each analyst prior to such date. These targets reflect each analyst s estimate of the future public market trading price of GLPI at the time the price target was published.

Table of Contents

Morgan Stanley then applied a discount rate of 7.0%, which represented GLPI s cost of equity capital, to the range of public market trading price targets published by equity research analysts and rounded to the nearest $0.25.

Based on this analysis, Morgan Stanley noted that the discounted price targets from equity research analysts implied prices per share ranging from $34.00 to $39.75, as compared to the price of GLPI s common stock as of July 15, 2015 of $34.82.

Historical Multiples Analysis GLPI

Morgan Stanley reviewed and compared certain internal financial information relating to GLPI, with certain historic multiples reflected in the range of GLPI s trading price during the period between March 31, 2014 and March 6, 2015, the last trading day prior to GLPI s first public announcement of its interest in the acquisition of Pinnacle s real property assets (the pre-announcement period).

For purposes of this analysis, Morgan Stanley analyzed the ratio of enterprise value to estimated EBITDA for the next twelve-month period and the ratio of share price to estimated AFFO per share for the next twelve-month period for GLPI implied by the trading price of GLPI s common stock during the pre-announcement period. Morgan Stanley then applied a selected range for these multiples equal to the 25th percentile and 75th percentile of the multiple range, to GLPI s estimated EBITDA for calendar year 2015 of $439 million and estimated AFFO for calendar year 2015 of $321 million, as applicable, to derive an implied reference range for the equity value of GLPI. Under the scenarios in which the selected multiple ranges were applied to GLPI s estimated EBITDA, the resulting enterprise value was adjusted to reflect management s forecast of net debt of $2.532 billion. Morgan Stanley then derived an implied reference range for the equity value per share of GLPI by dividing the implied reference range for equity value of GLPI by the fully diluted shares outstanding of GLPI, which was calculated utilizing the treasury stock method based on 115.8 million shares of GLPI common stock outstanding, 11.2 million GLPI options with a weighted average exercise price of $18.83, 0.5 million GLPI restricted stock awards and 1.1 million GLPI performance-based restricted stock awards, and rounded to the nearest $0.25. The following table sets forth the results of this analysis:

	GLPI Equity Value Per Share	
	Low	**High**
EV/2015E EBITDA	$ 32.50	$ 34.75
Price /2015E AFFO	$ 31.75	$ 34.75

Morgan Stanley compared the implied equity value per share reference range for GLPI resulting from this analysis to GLPI s share price of $34.82 on July 15, 2015 and noted that the share price exceeded, the implied equity value per share reference range.

Comparable Public Companies GLPI

Morgan Stanley reviewed and compared certain internal financial information and ratios relating to GLPI, with equivalent publicly available data for companies that share similar business and lease characteristics with GLPI to derive an implied equity value reference range for GLPI. For this analysis, Morgan Stanley reviewed statistics for two sets of publicly-traded triple-net lease REITs, the Large Cap Companies and the Mid Cap Companies set forth under *Comparable Companies PropCo* above.

For purposes of this analysis, Morgan Stanley analyzed the ratio of enterprise value to Wall Street research consensus estimated EBITDA for calendar year 2015 and the ratio of share price to Wall Street research consensus estimated

AFFO per share for calendar year 2015 for each of these companies that are described above under *Comparable Public Companies PropCo*. Morgan Stanley then applied the same selected range for these multiples used above under *Comparable Public Companies PropCo* of the 25th percentile to the 75th percentile to GLPI s estimated EBITDA for the calendar year 2015 of $439 million and estimated AFFO for the calendar year 2015 of $321 million, as applicable, to derive an implied reference range for the equity value of GLPI. Under the scenarios in which the selected multiple ranges were applied to GLPI s estimated EBITDA, the resulting enterprise value was adjusted to reflect management s forecast of net debt of $2.532 billion. Morgan Stanley then derived an implied reference range for the equity value per share of GLPI by dividing the implied reference range for equity value of GLPI by the fully diluted shares outstanding of GLPI, which was calculated utilizing the treasury stock method based on 115.8 million shares of GLPI common stock outstanding, 11.2 million GLPI options with a weighted average exercise price of $18.83, 0.5 million GLPI restricted stock awards and 1.1 million GLPI performance-based restricted stock awards, and rounded to the nearest $0.25. The following table sets forth the results of this analysis:

	Large Cap Companies Range		Mid Cap Companies Range	
	Low	**High**	**Low**	**High**
EV/2015E EBITDA	$ 33.00	$ 41.00	$ 25.50	$ 38.25
Price /2015E AFFO	$ 31.75	$ 42.75	$ 30.25	$ 37.50

Morgan Stanley compared the implied equity value per share reference range for GLPI resulting from this analysis to GLPI s price of $34.82 on July 15, 2015 and noted that both share prices generally fell within, or exceeded, the implied equity value per share reference range.

No company utilized in the comparable company analysis is identical to GLPI. In evaluating comparable companies, Morgan Stanley made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, which are beyond GLPI s control such as the impact of competition on GLPI and the industry generally, industry growth, and the absence of any adverse material change in the financial condition and prospects of GLPI or the industry, or in the financial markets in general.

Dividend Discount Analysis GLPI

Morgan Stanley performed a dividend discount analysis of GLPI s future estimated dividends per share to calculate a reference range of implied equity values per share for GLPI based on the present value of the dividends per share that GLPI forecasted between June 30, 2015 through December 31, 2018 utilizing internal estimates of GLPI s management, which estimated an annual dividend range of $2.15 $2.18 per share and $1.04 for the six months ended December 31, 2015. Morgan Stanley derived a range of implied terminal values by applying GLPI s range of multiples for price to estimated AFFO per share for the next twelve month period used in *Comparable Companies PropCo* above to GLPI s estimated AFFO per share for the calendar year ended 2019. Present values (as of June 30, 2015) of dividends per share and the terminal value were then calculated by Morgan Stanley using a discount rate range of 6.0% to 8.0%, representing a 1.0% range around GLPI s cost of equity capital and then rounded to the nearest $0.25.

This analysis resulted in an implied equity value per share reference range for GLPI of $30.25 to $35.00. Morgan Stanley compared the implied equity value per share reference range resulting from this analysis to GLPI s price of $34.82 on July 15, 2015 and noted that the share prices fell within the high end of the implied equity value per share reference range.

General

In connection with the review of the proposed transactions by the GLPI board of directors, Morgan Stanley performed a variety of financial and comparative analyses for purposes of rendering its opinion. The preparation of a financial opinion is a complex process and is not necessarily susceptible to a partial analysis or summary description. In arriving at its opinion, Morgan Stanley considered the results of all of its analyses as a whole and did not attribute any particular weight to any analysis or factor it considered. Morgan Stanley believes that selecting any portion of these analyses, without considering all analyses as a whole, would create an incomplete view of the process underlying its analyses and opinion. In addition, Morgan Stanley may have given various analyses and factors more or less weight than other analyses and factors, and may have deemed various assumptions more or less probable than other assumptions. As a result, the ranges of valuations resulting from any particular analysis described above should not be taken to be Morgan Stanley s view of the actual value of Pinnacle, PropCo or GLPI.

In performing its analyses, Morgan Stanley made numerous assumptions with respect to industry performance, general business, regulatory, economic, market and financial conditions and other matters. Many of these assumptions are beyond the control of Pinnacle and GLPI. These include, among other things, the impact of competition on the businesses of Pinnacle, PropCo and GLPI and the industry generally, industry growth, and the absence of any adverse material change in the financial condition and prospects of PropCo and GLPI and the industry, and in the financial markets in general. Any estimates contained in Morgan Stanley s analyses are not necessarily indicative of future results or actual values, which may be significantly more or less favorable than those suggested by such estimates.

Morgan Stanley conducted the analyses described above solely as part of its analysis of the fairness from a financial point of view to GLPI of the exchange ratio pursuant to the merger agreement, and in connection with the delivery of its opinion to the GLPI board of directors. These analyses do not purport to be appraisals or to reflect the prices at which shares of GLPI common stock might actually trade following consummation of the transactions or at any time.

The exchange ratio was determined through arm s-length negotiations between Pinnacle and GLPI and was approved by the GLPI board of directors. Morgan Stanley did not recommend any specific exchange ratio to GLPI, nor that any specific exchange ratio constituted the only appropriate exchange ratio for the transactions. Morgan Stanley s opinion did not address the relative merits of the transactions as compared to any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available, nor did it address the underlying business decision of GLPI to enter into the merger agreement. In addition, Morgan Stanley s opinion was not intended to, and does not, in any manner, address the prices at which GLPI common stock might trade following consummation of the transactions or at any time and Morgan Stanley expressed no opinion or recommendation as to how GLPI shareholders should vote at the GLPI special meeting.

Morgan Stanley s opinion and its oral presentation to the GLPI board of directors was one of many factors taken into consideration by the GLPI board of directors in deciding to approve the merger agreement and the transactions contemplated thereby. Consequently, the analyses as described above should not be viewed as determinative of the opinion of the GLPI board of directors with respect to the exchange ratio pursuant to the merger agreement or of whether the GLPI board of directors would have been willing to agree to a different exchange ratio.

Morgan Stanley s opinion was approved by a committee of Morgan Stanley investment banking and other professionals in accordance with Morgan Stanley s customary practice. Morgan Stanley is a global financial services firm engaged in the securities, investment management and individual wealth management businesses. Its securities business is engaged in securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trading, prime brokerage, as well as providing investment banking, financing and financial advisory services. Morgan Stanley, its affiliates, directors and officers may at any time invest on a principal basis or manage funds that invest, hold long or short positions, finance positions, and may trade or otherwise structure and effect transactions, for its own account or the accounts of its customers, in debt or equity securities or loans of GLPI, Pinnacle, PropCo, OpCo or any other company, or any currency or commodity, that may be involved in the transactions, or any related derivative instrument.

Under the terms of its engagement letter, Morgan Stanley provided the GLPI board of directors with financial advisory services and a financial opinion described in this section and attached to this joint proxy statement/prospectus as Annex B in connection with the transactions and GLPI has agreed to pay Morgan Stanley

(i) an opinion fee of $2 million, which was paid when the opinion was delivered and is creditable against the base contingent fee, (ii) a base contingent fee of $12.0 million for its services and (iii) a discretionary fee of $5.0 million. The base contingent fee and discretionary fee are payable upon and are contingent upon the consummation of the transactions. GLPI has also agreed to reimburse Morgan Stanley for its reasonable expenses incurred from time to time in connection with providing its professional services, including reasonable fees of outside counsel and other professional advisors, incurred in performing its services. In addition, GLPI has agreed to indemnify Morgan Stanley, its affiliates, its officers, directors, employees and agents and each person, if any, controlling Morgan Stanley or any of its affiliates against certain liabilities and expenses, including certain liabilities under the federal securities laws, relating to or arising out of Morgan Stanley s engagement. In the two years prior to the date of Morgan Stanley s opinion, Morgan Stanley and its affiliates have not provided financial advisory or financing services to GLPI or Pinnacle for which Morgan Stanley has received fees. Morgan Stanley may seek to provide financial advisory and financing services to GLPI and OpCo and their affiliates in the future and would expect to receive fees for the rendering of those services.

Opinion of Pinnacle s Financial Advisor

On July 20, 2015, at a meeting of the board of directors of Pinnacle, Goldman Sachs rendered to the board of directors its oral opinion, subsequently confirmed in writing, to the effect that, as of July 20, 2015, based upon and subject to the factors and assumptions set forth in Goldman Sachs written opinion, the exchange ratio of 0.85 shares of GLPI common stock to be paid for each outstanding share of Pinnacle common stock, which is referred to as the Exchange Ratio, pursuant to the merger agreement was fair from a financial point of view to the holders (other than GLPI and its affiliates) of shares of Pinnacle common stock.

The full text of the written opinion of Goldman Sachs, dated July 20, 2015, which sets forth the assumptions made, procedures followed, matters considered, qualifications and limitations on the review undertaken in connection with the opinion, is attached to this joint proxy statement/prospectus as Annex C. The summary of the Goldman Sachs opinion contained in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of Goldman Sachs written opinion. Goldman Sachs advisory services and opinion were provided for the information and assistance of the board of directors of Pinnacle in connection with its consideration of the proposed transaction and the opinion does not constitute a recommendation as to how any holder of Pinnacle common stock should vote with respect to the proposed transaction or any other matter.

In connection with rendering the opinion described above and performing its related financial analyses, Goldman Sachs reviewed, among other things:

- the merger agreement and the spin-off agreements;
- annual reports to stockholders and Annual Reports on Form 10-K of Pinnacle for the five years ended December 31, 2014;
- annual reports to shareholders and Annual Reports on Form 10-K of GLPI for the two years ended December 31, 2014 and GLPI s Registration Statement on Form S-11 (333-188608), including the prospectus contained therein dated October 9, 2013 relating to the distribution of shares of GLPI common stock to the shareholders of Penn National Gaming, Inc.;

certain interim reports to stockholders and Quarterly Reports on Form 10-Q of Pinnacle and GLPI;

certain other communications from Pinnacle and GLPI to their respective stockholders;

certain publicly available research analyst reports for Pinnacle and GLPI; and

certain internal financial analyses and forecasts for Pinnacle, which include certain internal financial analyses and forecasts for the real estate business remaining with Pinnacle immediately after the contemplated spin-off of OpCo, which is referred to as Real Estate Business and for OpCo, prepared by Pinnacle s management and for GLPI on a stand-alone basis and pro forma for the proposed transaction prepared by its management, as adjusted and adopted by Pinnacle s management, in each

Table of Contents

case, as approved for Goldman Sachs use by Pinnacle, which is collectively referred to as the Forecasts . Goldman Sachs held discussions with members of the senior management teams of Pinnacle and GLPI regarding their assessment of the strategic rationale for, and the potential benefits of, the proposed merger and the past and current business operations and financial condition of Pinnacle, the Real Estate Business, the business to be conducted by OpCo and GLPI and the future prospects of the Real Estate Business, OpCo and GLPI; reviewed the reported price and trading activity Pinnacle common stock and the GLPI common stock; compared certain financial and stock market information for Pinnacle and GLPI with similar information for certain other companies the securities of which are publicly traded; reviewed the financial terms of certain recent business combinations in the net lease REIT industry and in other industries; and performed such other studies and analyses, and considered such other factors, as Goldman Sachs deemed appropriate.

For purposes of rendering this opinion, Goldman Sachs, with the consent of Pinnacle, relied upon and assumed the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by, Goldman Sachs, without assuming any responsibility for independent verification thereof. In that regard, Goldman Sachs assumed with the consent of Pinnacle that the Forecasts were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Pinnacle. Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or other off-balance-sheet assets and liabilities) of Pinnacle, OpCo or GLPI or any of their respective subsidiaries or the Real Estate Business, and Goldman Sachs was not furnished with any such evaluation or appraisal. Goldman Sachs assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the proposed transaction would be obtained without any adverse effect on Pinnacle, the Real Estate Business, OpCo or GLPI or on the expected benefits of the proposed transaction in any way meaningful to its analysis. Goldman Sachs assumed that the proposed transaction will be consummated on the terms set forth in the merger agreement and the spin-off agreements, without the waiver or modification of any term or condition the effect of which would be in any way meaningful to its analysis.

Goldman Sachs opinion did not address the underlying business decision of Pinnacle to engage in the proposed transaction, or the relative merits of the proposed transaction as compared to any strategic alternatives that may be available to Pinnacle; nor did it address any legal, regulatory, tax or accounting matters. Goldman Sachs opinion addressed only the fairness from a financial point of view to the holders (other than GLPI and its affiliates) of shares of Pinnacle common stock, as of the date of the opinion, of the Exchange Ratio pursuant to the merger agreement. Goldman Sachs did not express any view on, and its opinion did not address, any other term or aspect of the merger agreement, or the proposed transaction or any term or aspect of any other agreement or instrument contemplated by the merger agreement or the spin-off agreements or entered into or amended in connection with the proposed transaction, including, the spin-off agreements or the transactions contemplated thereby, the fairness of the proposed transaction (or any aspect thereof) to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors, or other constituencies of Pinnacle; nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of Pinnacle, or class of such persons, in connection with the proposed transaction, whether relative to the Exchange Ratio pursuant to the merger agreement or otherwise. Goldman Sachs did not express any opinion as to the prices at which shares of GLPI common stock, the shares of Pinnacle common stock or the shares of OpCo common stock will trade at any time or as to the impact of the proposed transaction on the solvency or viability of Pinnacle, OpCo, the Real Estate Business, GLPI or the ability of Pinnacle, OpCo, the Real Estate Business or GLPI to pay their respective obligations when they come due. Goldman Sachs opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Goldman Sachs as of, the date of the opinion, and Goldman Sachs assumed no responsibility for updating, revising or reaffirming its opinion based on circumstances, developments or events occurring after the date of the opinion. Goldman Sachs advisory services and its opinion were provided for the information and assistance of the board of directors of Pinnacle in connection with its consideration of the proposed merger and the opinion does not constitute a recommendation as to how any holder of shares of Company common stock should vote with respect to the proposed transaction or any other matter. Goldman Sachs opinion was approved by a fairness committee of Goldman, Sachs & Co.

The following is a summary of the material financial analyses presented by Goldman Sachs to the board of directors of Pinnacle on July 20, 2015 in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Goldman Sachs, nor does the order of analyses described represent relative importance or weight given to those analyses by Goldman Sachs. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Goldman Sachs financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before July 20, 2015 and is not necessarily indicative of current market conditions.

Illustrative Future Share Price Analyses

Goldman Sachs calculated illustrative future values as of each of January 1, 2017, 2018 and 2019 of (i) a share of Pinnacle (ex Pinnacle PropCo), (ii) a share of Pinnacle PropCo (as defined below) and (iii) a share of Pinnacle (ex Pinnacle PropCo) and a share of Pinnacle PropCo together, assuming a tax-free distribution by Pinnacle to its stockholders on December 31, 2016 of all of the shares of a company holding the Real Estate Business, which is referred to as Pinnacle PropCo (and one share of Pinnacle PropCo distributed in respect of each outstanding share of Pinnacle), which is referred to as the Pinnacle PropCo Spin-off Scenario .

Goldman Sachs also calculated illustrative future values as of each January 1, 2017, 2018 and 2019 of (i) a share of OpCo common stock; (ii) 0.85 of a share of common stock of GLPI, after giving effect to the proposed merger, which is referred to as pro forma GLPI , and (iii) a share of OpCo common stock and 0.85 of a share of common stock of pro forma GLPI together, assuming consummation of the proposed transaction as of March 31, 2016, which is referred to as the Transaction Scenario.

For purposes of this analysis, Goldman Sachs calculated illustrative future values as follows:

- with respect to Pinnacle (ex Pinnacle PropCo) and OpCo, Goldman Sachs applied an illustrative forward multiple of 7.0x earnings before interest, taxes, depreciation and amortization, which is referred to as EBITDA, to the estimate of EBITDA for the applicable year for Pinnacle (ex Pinnacle PropCo) or OpCo, as applicable, as reflected in the Forecasts, subtracting the estimated amount of net debt of Pinnacle (ex Pinnacle PropCo) or OpCo, as applicable, as of the applicable illustrative valuation date, as reflected in the Forecasts, and dividing the result by the total number of fully diluted shares of Pinnacle (ex Pinnacle PropCo) or OpCo common stock estimated to be outstanding as of as of the applicable illustrative valuation date, as provided by Pinnacle management;

- with respect to Pinnacle PropCo, Goldman Sachs applied an illustrative forward EBITDA multiple of 13.7x to the estimate of EBITDA for the applicable year for Pinnacle PropCo, as reflected in the Forecasts, subtracting the estimated amount of net debt of Pinnacle PropCo as of the applicable illustrative valuation date, as reflected in the Forecasts, and dividing the result by the total number of fully diluted shares of Pinnacle PropCo estimated to be outstanding as of the applicable illustrative valuation date, as provided by Pinnacle management; the estimated amounts of net debt and the estimated number of fully diluted shares of

Pinnacle PropCo outstanding as of the applicable illustrative valuation dates reflected an assumed initial public offering of shares of PropCo prior to any distribution of the shares of Pinnacle PropCo; and

with respect to pro forma GLPI, Goldman Sachs applied an illustrative forward EBITDA multiple of 14.7x to the estimate of EBITDA for the applicable year for pro forma GLPI, as reflected in the Forecasts, subtracting the estimated amount of net debt of pro forma GLPI as of the applicable illustrative valuation date, as reflected in the Forecasts, dividing the result by the total number of fully diluted shares of pro forma GLPI estimated to be outstanding as of the applicable illustrative valuation date, as provided by Pinnacle management, and multiplying this result by 0.85.

Table of Contents

The following summarizes and compares the ranges of illustrative future values per share over the period from January 1, 2017 through January 1, 2019 derived from the foregoing analyses under the Pinnacle Spin-Off Scenario and under the Transaction Scenario:

Ranges of Illustrative Future Values per Share

	Pinnacle PropCo Spin-Off Scenario		Transaction Scenario	
Pinnacle (ex PropCo) / OpCo	$21.04	$27.48	$20.49	$26.67
Pinnacle PropCo / 0.85 Pro forma GLPI	$28.59	$31.68	$32.37	$33.64
Total Value	$48.17	$59.16	$52.86	$60.40

Illustrative Discounted Cash Flow and Implied Exchange Ratio Analyses

Goldman Sachs performed illustrative discounted cash flow analyses for each of GLPI on a stand-alone basis and for Pinnacle (ex OpCo), in each case using the Forecasts.

Applying discount rates ranging from 6.0% to 8.0% (with a midpoint discount rate of 7.0%), reflecting estimates of the cost of equity for GLPI, Goldman Sachs derived a range of illustrative values per share of common stock of GLPI on a stand-alone basis by discounting to present value as of March 31, 2016 (a) the dividends per share estimated to be paid by GLPI during the last nine months of 2016 and during 2017 through 2019, as reflected in the Forecasts, and (b) an illustrative terminal value per share at the end of 2019 (derived by applying illustrative equity perpetuity growth rates ranging from 2.0% to 3.0% (with a midpoint equity perpetuity growth rate of 2.5%) to an estimate of terminal year adjusted funds from operations per share, as reflected in the Forecasts). The illustrative values per share of common stock of GLPI on a stand-alone basis derived by Goldman Sachs ranged from $42.54 to $83.60 (with a midpoint illustrative present value per share of $56.29).

Applying discount rates ranging from 5.4% to 7.4% (with a midpoint discount rate of 6.4%), reflecting estimates of the weighted average cost of capital for Pinnacle (ex OpCo), Goldman Sachs derived a range of illustrative enterprise values for Pinnacle (ex OpCo) by discounting to present value as of March 31, 2016 (a) the unlevered free cash flows estimated to be generated by Pinnacle (ex OpCo) for the last nine months of 2016 and for 2017 through 2019, as reflected in the Forecasts and (b) an illustrative terminal value for Pinnacle (ex OpCo) at the end of 2019 (derived by applying illustrative unlevered perpetuity growth rates ranging from 0.5% to 1.5% (with a midpoint unlevered perpetuity growth rate of 1.0%) to an estimate of terminal year unlevered free cash flow for Pinnacle (OpCo), as reflected in the Forecasts). Goldman Sachs derived a range of illustrative equity values for Pinnacle (ex OpCo), by subtracting from the range of illustrative enterprise values it derived an estimate of the net debt of Pinnacle (ex OpCo) as of March 31, 2016, as reflected in the Forecasts, which reflected cash assumed to be generated from a public offering of shares of Pinnacle. Goldman Sachs then divided the range of illustrative equity values it derived for Pinnacle (ex OpCo) by the total number of fully diluted shares of Pinnacle common stock anticipated to be outstanding as of March 31, 2016, including the shares to be issued in the assumed public offering, as provided by the Company s management, to derive illustrative present values for the shares of common stock of Pinnacle (ex OpCo) ranging from $34.47 to $74.42 (with a midpoint illustrative present value per share of $48.93).

Goldman Sachs compared a range of illustrative present values for the shares of common stock of Pinnacle (ex OpCo) derived as described above, but applying a midpoint unlevered discount rate of 6.4%, to a range of illustrative present values for the shares of common stock of GLPI on a stand-alone basis derived as described above, but applying a midpoint levered discount rate of 7.0%, to derive implied exchange ratios ranging from 0.70x to 1.07x (with a midpoint implied exchange ratio of 0.87x).

Illustrative Discounted Cash Flow and Illustrative Get/Give Analyses

Applying discount rates ranging from 6.0% to 8.0% (with a midpoint discount rate of 7.0%), reflecting estimates of the cost of equity for GLPI, Goldman Sachs derived a range of illustrative values per share of common stock of GLPI on a pro forma basis after giving effect to the proposed transaction by discounting to present value as of March 31, 2016 (a) the dividends per share estimated to be paid by GLPI on a pro forma basis during the last nine months of 2016 and during 2017 through 2019, as reflected in the Forecasts, and (b) an illustrative terminal value per share at the end of 2019 (derived by applying illustrative equity perpetuity growth rates ranging from 2.0% to 3.0% (with a midpoint equity perpetuity growth rate of 2.5%) to an estimate of terminal year adjusted funds from operations per share, as reflected in the Forecasts). The illustrative values per share of common stock of GLPI on a pro forma basis derived by Goldman Sachs ranged from $47.03 to $91.25 (with a midpoint illustrative present value per share of $61.84). Goldman Sachs multiplied this range of illustrative values per share by 0.85 to derive a range of illustrative values for the Exchange Ratio ranging from $39.97 to $77.56 (with a midpoint of $52.56).

Goldman Sachs then compared a range of illustrative present values for the shares of common stock of Pinnacle (ex OpCo) derived as described above under *Illustrative Discounted Cash Flow and Implied Exchange Ratio Analyses* applying a midpoint discount rate of 6.4%, to a range of illustrative present values of 0.85 of a share of common stock of GLPI on a pro forma basis derived as described above, but applying a midpoint discount rate of 7.0%, to derive implied ratios ranging from 0.87x to 1.33x (with an midpoint implied ratio of 1.07x).

General

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Goldman Sachs made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses.

Goldman Sachs prepared these analyses for purposes of providing its opinion to the board of directors of Pinnacle as to the fairness from a financial point of view to the holders of Pinnacle common stock (other than GLPI and its affiliates), as of the date of the opinion, of the Exchange Ratio pursuant to the merger agreement. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon projections of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Pinnacle, Goldman Sachs or any other person assumes responsibility if future results are materially different from those forecast.

The Exchange Ratio was determined through arm s-length negotiations between Pinnacle and GLPI and was approved by the board of directors of Pinnacle. Goldman Sachs provided advice to Pinnacle during these negotiations. Goldman Sachs did not, however, recommend any specific exchange ratio or amount of consideration to Pinnacle or that any specific exchange ratio or amount of consideration constituted the only appropriate exchange ratio or consideration for the proposed merger.

As described above, Goldman Sachs opinion was one of many factors taken into consideration by the board of directors of Pinnacle in considering the proposed transaction. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs in connection with the delivery of its fairness opinion to the board of directors of Pinnacle and is qualified in its entirety by reference to the written opinion of Goldman Sachs attached as Annex C to this joint proxy statement/prospectus.

Goldman Sachs and its affiliates are engaged in advisory, underwriting and financing, principal investing, sales and trading, research, investment management and other financial and non-financial activities and services for various persons and entities. Goldman Sachs and its affiliates and employees, and funds or other entities they manage or in which they invest or have other economic interests or with which they co-invest, may at any time purchase, sell, hold or vote long or short positions and investments in securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments of Pinnacle, GLPI, any of their respective affiliates and third parties, or any currency or commodity that may be involved in the proposed transaction. Goldman Sachs has acted as financial advisor to Pinnacle in connection with, and have participated in certain of the negotiations leading to, the proposed transaction. Goldman Sachs expects to receive fees for its services in connection with the proposed transaction, all of which are contingent upon consummation of the merger, and Pinnacle has agreed to reimburse certain of Goldman Sachs expenses arising, and indemnify Goldman Sachs against certain liabilities that may arise, out of its engagement. At Pinnacle s request, an affiliate of Goldman Sachs entered into financing commitments to provide a subsidiary of OpCo with a revolving credit facility and a term loan in connection with the consummation of the proposed transaction, subject to the terms of such commitments, and pursuant to which one or more affiliates of Goldman Sachs will receive customary fees. Goldman Sachs has provided certain financial advisory and/or underwriting services to Pinnacle and/or its affiliates from time to time for which its Investment Banking Division has received, and may receive, compensation, including having acted as the Company s financial advisor in connection with its acquisition of Ameristar Casinos, Inc., closed in August 2013; as joint lead bookrunning manager with respect to a private placement of 6.375% Senior Notes due 2021 of a subsidiary of Pinnacle (aggregate principal amount $850 million) in August 2013; as a joint lead arranger and joint bookrunning manager in connection with a credit facility entered into by Pinnacle in August 2013 providing for term loans (aggregate principal amount $1,600 million) and a revolving credit commitment (aggregate principal amount $1,000 million); and as Pinnacle s financial advisor in connection with the sale of the Lumiere Place Casino and Hotels closed in April 2014. Goldman Sachs also has provided certain financial advisory and/or underwriting services to GLPI and/or its affiliates from time to time for which its Investment Banking Division has received, and may receive, compensation, including having acted as a joint lead arranger in connection with a credit facility entered into by a subsidiary of GLPI in October 2013 providing for a term loan (aggregate principal amount $300 million) and a revolving credit commitment (aggregate principal amount $700 million); as joint bookrunning manager with respect to a private placement of 4.375% Senior Notes due 2018 of a subsidiary of GLPI (aggregate principal amount $550 million) in October 2013; as joint bookrunning manager with respect to a private placement of 4.875% Senior Notes due 2020 of a subsidiary of GLPI (aggregate principal amount $1,000 million) in October 2013; and as joint bookrunning manager with respect to a private placement of 5.375% Senior Notes due 2023 of a subsidiary of GLPI (aggregate principal amount $500 million) in October 2013. Goldman Sachs may also in the future provide financial advisory and/or underwriting services to Pinnacle, GLPI, OpCo and their respective affiliates for which its Investment Banking Division may receive compensation.

Pinnacle selected Goldman Sachs as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the proposed transaction. Pursuant to a letter agreement, dated July 18, 2015, Pinnacle engaged Goldman Sachs to act as its financial advisor in connection with the proposed transaction. Pursuant to the terms of this engagement letter, Pinnacle agreed to pay Goldman Sachs fees of $25 million, all of which is contingent upon the closing of the proposed transaction plus a discretionary fee in an amount to be determined at Pinnacle s sole discretion. In addition, Pinnacle agreed to reimburse Goldman Sachs for certain of its expenses and to indemnify Goldman Sachs and related persons against certain liabilities that may arise out of its engagement.

Financing of the Transactions

Pinnacle s Financing

Pinnacle anticipates that the total amount of funds necessary for OpCo to pay the OpCo Cash Payment and to pay transaction fees and expenses will be approximately $975 million, which amount is subject to adjustment as further described in The Merger Agreement The Separation and Distribution Agreement. This amount will be funded through either (but not both) (i) the Pinnacle Bridge Facility or (ii) the Pinnacle Takeout Facilities, together with the proceeds from any Pinnacle Notes. Remaining amounts under the Bridge Revolving Credit Facility or the Takeout Revolving Credit Facility, as applicable, will be used for general corporate purposes of OpCo, including, without limitation, permitted acquisitions or dividends.

Table of Contents

Pursuant to the Pinnacle Bridge Commitment Letter for the Pinnacle Bridge Facility, Pinnacle received commitments for an aggregate principal amount of $1.1 billion in financing, comprised of a $900 million senior secured 364-day term loan bridge facility and a $200 million senior secured 364-day revolving credit facility. The borrower under the Pinnacle Bridge Facility will be OpCo and the obligations of OpCo under the Pinnacle Bridge Facility will be guaranteed by each existing and subsequently acquired or formed direct and indirect domestic wholly-owned subsidiary of OpCo, subject to customary exceptions.

Pursuant to the Pinnacle Takeout Commitment Letter for the Pinnacle Takeout Facilities, Pinnacle received commitments for an aggregate principal amount of $585 million in financing, comprised of a (i) $185 million senior secured term loan A facility and (ii) $400 million senior secured revolving credit facility. The lenders under the Pinnacle Takeout Commitment Letter have also agreed to use their commercially reasonable efforts to syndicate a $350 million senior secured term loan B facility, which may, at the election of OpCo, be increased or decreased by up to $125 million in connection with the issuance of senior unsecured notes to finance a portion of the transactions, as further described in the Pinnacle Takeout Commitment Letter. The borrower under the Pinnacle Takeout Facilities will be OpCo and the obligations of OpCo under the Pinnacle Takeout Facilities will be guaranteed by each existing and subsequently acquired or formed direct and indirect domestic wholly-owned subsidiary of OpCo, subject to customary exceptions. As noted in the Pinnacle Takeout Commitment Letter, it is anticipated that OpCo will also issue Pinnacle Notes in an aggregate principal amount of $300 million to provide a portion of the debt financing required by Pinnacle to consummate the transactions. The principal amount of the Pinnacle Notes may, at the election of OpCo, be increased or decreased by up to $125 million, as further described in, and in accordance with the terms of, the Pinnacle Takeout Commitment Letter. Both the issuance of the Pinnacle Notes and the receipt by the Pinnacle Takeout Commitment Parties of commitments from lenders for the Term Loan B Facility, in each case, on or prior to the closing date of the merger, are conditions to the availability of the Pinnacle Takeout Facilities.

Further, the Pinnacle Notes are only contemplated in connection with the Pinnacle Takeout Facilities. At this time, Pinnacle has not yet determined which of the two commitments described above will be utilized to provide the debt financing required to consummate the proposed transactions because such determination will be dependent on future market conditions. However, Pinnacle intends to use the Pinnacle Takeout Facilities if market conditions are favorable at the time of the distribution and not use the Pinnacle Bridge Facility.

The commitment of the Pinnacle Bridge Commitment Parties under the Pinnacle Bridge Commitment Letter and the commitment of the Pinnacle Takeout Commitment Parties under the Pinnacle Takeout Commitment Letter each expire upon the earliest to occur of (i) 5:00 p.m. (New York City time) on April 30, 2016, unless GLPI elects to extend the end date in which case such date shall be extended to 5:00 p.m. (New York City time) on June 30, 2016, (ii) the termination of the merger agreement without the closing of the merger, (iii) the consummation of the merger and the spin-off without the funding of the Pinnacle Bridge Facility or the Pinnacle Takeout Facilities, as applicable, on the date of such consummation and (iv) the end date.

If any portion of the Pinnacle Bridge Facility becomes or would reasonably be expected to become unavailable on the terms and conditions contemplated by the Pinnacle Bridge Commitment Letter (other than as a result of the Pinnacle Takeout Facilities), the merger agreement requires Pinnacle to promptly notify GLPI thereof and use its reasonable best efforts to arrange and obtain alternative financing from alternative sources on terms and conditions not less favorable to Pinnacle than the Pinnacle Bridge Commitment Letter, in an amount sufficient to make the OpCo Cash Payment at closing and otherwise on terms not materially less beneficial to Pinnacle.

The availability of the Pinnacle Bridge Facility is subject, among other things, to:

consummation of the spin-off substantially concurrently with the initial funding of the Pinnacle Bridge Facility in accordance with the Separation and Distribution Agreement, without any amendment or modification thereto which is materially adverse to the interests of the lenders under the Pinnacle Bridge Facility (the Pinnacle Bridge Lenders), unless approved by the Pinnacle Bridge Commitment Parties (such approval not to be unreasonably withheld or delayed);

Table of Contents

- execution and delivery by the borrower, and the other loan parties and the Pinnacle Bridge Lenders of definitive documentation with respect to the Pinnacle Bridge Facility consistent with the Pinnacle Bridge Commitment Letter;
- effectiveness of the master lease without any amendment or modification thereto which is materially adverse to the Pinnacle Bridge Lenders, unless approved by the Pinnacle Bridge Commitment Parties (such approval not to be unreasonably withheld or delayed);
- solvency of the borrower and its subsidiaries, on a consolidated basis, after giving effect to the consummation of the transactions;
- delivery of financial statements regarding Pinnacle and its subsidiaries;
- delivery of pro forma financials of the borrower and its subsidiaries;
- delivery of all know your customer information required by regulatory authorities and requested by the Pinnacle Bridge Lenders regarding the borrower and the guarantors;
- the accuracy of certain limited representations and warranties; and
- the closing date not occurring prior to November 20, 2015.

The availability of the Pinnacle Takeout Facilities are subject, among other things, to:

- consummation of the spin-off substantially concurrently with the initial funding of the Pinnacle Takeout Facilities in accordance with the Separation and Distribution Agreement, without any amendment or modification thereto which is materially adverse to the interests of the lenders under the Pinnacle Takeout Facilities (the Pinnacle Takeout Lenders), unless approved by the Pinnacle Takeout Commitment Parties (such approval not to be unreasonably withheld or delayed);
- execution and delivery by the borrower, and the other loan parties and the Pinnacle Takeout Lenders of definitive documentation with respect to the Pinnacle Takeout Facilities consistent with the Pinnacle Takeout Commitment Letter;
- effectiveness of the master lease without any amendment or modification thereto which is materially adverse to the Pinnacle Takeout Lenders, unless approved by the Pinnacle Takeout Commitment Parties (such approval not to be unreasonably withheld or delayed);

solvency of the borrower and its subsidiaries, on a consolidated basis, after giving effect to the consummation of the transactions;

delivery of financial statements regarding Pinnacle and its subsidiaries;

delivery of pro forma financials of the borrower and its subsidiaries;

issuance of the Pinnacle Notes in an aggregate gross principal amount of $300 million and receipt of $350 million in aggregate principal amount of commitments from lenders for the Term Loan B Facility; *provided* that, OpCo may, in its sole discretion, increase or decrease the Term Loan B Facility by up to $125 million and increase or decrease the Pinnacle Notes by up to $125 million, so long as after giving effect to such increases and/or decreases the aggregate amount of the Pinnacle Notes and Term Loan B Facility are equal to at least $575 million and do not exceed $650 million;

delivery of all know your customer information required by regulatory authorities and requested by the Pinnacle Lenders regarding the borrower and the guarantors;

the accuracy of certain limited representations and warranties; and

the closing date not occurring prior to November 20, 2015.

For more information, see The Merger Agreement Financing Efforts Pinnacle s Financing.

Table of Contents

GLPI s Financing

GLPI anticipates that the total amount of funds necessary to finance the transactions and to pay transaction fees and expenses will be approximately $3.1 billion. This amount is expected to be funded through one or more of the following sources: available cash on hand, the issuance and sale by GLP Capital, L.P. (GLP Capital) and GLP Financing II, Inc. of senior unsecured notes, the issuance and sale by GLPI of common equity interests and borrowings under the GLPI Bridge Facility, the GLPI Limited Conditionality Incremental Term Facility and the GLPI Limited Conditionality Revolver (each defined below).

In connection with the transactions, GLPI has entered into an amended and restated commitment letter dated July 31, 2015 (the GLPI Commitment Letter) with the GLPI Commitment Parties to provide debt financing in connection with the transactions. Pursuant to the GLPI Commitment Letter, the GLPI Commitment Parties have committed to provide a $1.875 billion senior unsecured 364-day term loan bridge facility (the GLPI Bridge Facility).

The commitment of the GLPI Commitment Parties under the GLPI Commitment Letter expires upon the earliest to occur of (i) 11:59 p.m. (New York City time) on March 31, 2016, unless GLPI elects the end date extension (as defined in the merger agreement) in which case such date shall be extended to 11:59 p.m. (New York City time) on June 30, 2016, (ii) the closing of the merger either (a) without the use of the GLPI Bridge Facility or (b) if the GLPI Bridge Facility is intended to be used, the execution of the definitive credit documentation and the funding of the loans thereunder, (iii) the termination of the merger agreement in accordance with its terms and (iv) as to the portion of the commitments to be reduced on certain automatic reduction events in accordance with the terms of the GLPI Commitment Letter, upon such events.

In connection with the transactions, GLP Capital has entered into Amendment No. 1 (the Credit Agreement Amendment) dated July 31, 2015 to the Credit Agreement dated as of October 28, 2013 among GLP Capital, the several banks and other financial institutions or entities party thereto, and JPMorgan Chase Bank, N.A., as administrative agent. The Credit Agreement Amendment provides incremental term loan commitments in an aggregate committed amount of $825 million subject to limited conditionality (the GLPI Limited Conditionality Incremental Term Facility). The Credit Agreement Amendment also provides for revolving loans in a principal amount not to exceed $411 million borrowed in connection with the transactions to be subject to the same limited conditionality as the incremental term loans (the GLPI Limited Conditionality Revolver).

The availability of the GLPI Bridge Facility, the GLPI Limited Conditionality Incremental Term Facility and the GLPI Limited Conditionality Revolver is subject to, among other things, to:

subject to certain disclosures, since January 1, 2015, through the date of the merger agreement that there has not been any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect (as defined in the merger agreement). Since the date of the merger agreement, there has not been any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect (as defined in the merger agreement);

consummation of the acquisition with or substantially concurrently with the initial borrowing under the relevant facility in accordance with the terms of the merger agreement, without any amendments modifications or waivers or consents of GLPI that are materially adverse to the interests of the relevant lenders, unless approved by the arrangers of the relevant facility (such approval not to be unreasonably withheld, conditioned or delayed);

subject to the certain funds provisions, execution and delivery by the borrower, the other loan party and the lenders thereunder of definitive documentation with respect to the GLPI Bridge Facility consistent with the GLPI Commitment Letter;

solvency of GLPI and its subsidiaries, on a consolidated basis, after giving effect to the consummation of the transactions;

delivery of financial statements regarding GLPI and the acquired business;

delivery of pro forma financials in customary form for inclusion in an information memorandum;

delivery of all know your customer information required by regulatory authorities and requested by the lenders thereunder;

the accuracy of certain limited representations and warranties; and

the repayment or redemption of certain existing debt of the acquired business shall have been or substantially concurrently with the initial funding of the relevant facility shall be consummated or arrangements for such repayment or redemption shall have been established substantially concurrently with the initial funding of the relevant facility.

GLPI or its subsidiaries may elect to enter into long-term debt financing instead of funding loans in connection with the GLPI Bridge Facility. Such long-term debt financing could consist of senior unsecured notes of certain subsidiaries of GLPI. Any determination to enter into alternative debt financing will be based on, among other items, market conditions at the time such debt financing would be syndicated, placed or incurred. There can be no assurances as to the terms of such debt financing.

Interests of Certain Pinnacle Persons in the Merger

When considering the recommendation of Pinnacle s board of directors with respect to the merger, you should be aware that Pinnacle s executive officers and directors may have interests in the merger that are different from, or in addition to, those of Pinnacle s stockholders generally. Pinnacle s board of directors was aware of these interests during its deliberations on the merits of the merger and in deciding to recommend that Pinnacle stockholders vote for the adoption of the merger agreement at the Pinnacle special meeting.

Insurance and Indemnification of Directors and Executive Officers

GLPI and Merger Sub have agreed that all rights to exculpation, indemnification and advancement of expenses or omissions occurring at or prior to the effective time of the merger (whether asserted before or after the effective time), now existing in favor of current or former directors, officers, employees of Pinnacle or its subsidiaries as provided in their respective organizational documents will survive the merger and continue to be in full force and effect. The surviving company will (and GLPI will cause the surviving company to) indemnify and hold harmless (and advance funds in respect thereof) each current and former director, officer or employee of Pinnacle and each person who served as a director, officer, member, trustee or fiduciary of another corporation, partnership, joint venture, trust, pension or other employee benefit plan or enterprise if such service was at the request or for the benefit of Pinnacle each case against any costs or expenses (subject to certain conditions) arising out of, relating to or in connection with any action or omission by them in their official capacities occurring or alleged to have occurred whether commenced before or after the closing of the merger. The surviving company will (and GLPI will cause the surviving company to), for a period of six years from the closing of the merger, maintain in effect (to the fullest extent permitted under applicable law) any and all exculpation, indemnification and advancement of expenses provisions of Pinnacle s certificate of incorporation and bylaws or similar organizational documents in effect immediately prior to the closing of the merger or in indemnification agreements of Pinnacle with their respective current or former directors, officers or employees in effect immediately prior to the closing of the merger, and may not amend, repeal or otherwise modify any such provisions or the exculpation, indemnification or advancement of expenses provisions of the surviving company s organizational documents in any manner that would adversely affect the rights thereunder of any individuals who immediately before the closing of the merger were current or former directors, officers or employees of Pinnacle (subject to certain conditions).

The merger agreement also provides that prior to the effective time of the merger, Pinnacle (with GLPI s consent) or GLPI, at GLPI s cost, may purchase a six year tail prepaid policy on the same terms and conditions as GLPI would be required to cause the surviving company and its subsidiaries to purchase as discussed below. Pinnacle s ability to purchase a tail policy is subject to a cap on the premium equal to 300% of the aggregate annual premiums currently paid by Pinnacle for its existing directors and officers liability insurance and fiduciary insurance as of the date of the merger agreement. If such a tail policy is not purchased prior to the effective time, for at least six years after the effective time, GLPI will maintain coverage currently provided by the policies of directors and officers liability insurance and fiduciary liability insurance by Pinnacle or provide substitute policies for Pinnacle and its current and former directors and officers who are currently covered by the directors and officers liability insurance and fiduciary liability insurance coverage currently in effect, in either case, of not less than the existing coverage and have other terms not less favorable to the insured persons than the directors and officers liability insurance and fiduciary liability insurance coverage with respect to matters existing or arising prior to the closing of the merger (subject to a cap on the premium equal to 300% of the aggregate annual premiums currently paid by Pinnacle).

Treatment of Pinnacle Long-Term Incentive Compensation

Treatment of Pinnacle Stock Options Granted On or Prior to July 16, 2015

At the time of distribution, each Pinnacle stock option (including any Pinnacle stock option held by an executive officer or non-employee director), whether vested or unvested, that was granted on or prior to July 16, 2015 and that is outstanding immediately prior to the time of distribution will be converted into two separate stock option awards, an adjusted Pinnacle stock option (an Adjusted Pinnacle Option) and an OpCo stock option (an OpCo Option).

The number of shares of Pinnacle common stock subject to each Adjusted Pinnacle Option will be equal to the number of shares of Pinnacle common stock underlying the Pinnacle stock option immediately prior to the time of distribution. The per share exercise price of each Adjusted Pinnacle Option will be equal to the product (rounded up to the nearest whole cent) of (i) the per share exercise price of the Pinnacle stock option prior to the time of distribution multiplied by (ii) a fraction, the numerator of which will be the per share closing trading price of Pinnacle common stock, as traded on an ex-distribution basis on the last trading day immediately preceding the time of distribution (the Opening Pinnacle Stock Price), and the denominator of which will be the per share closing trading price of Pinnacle common stock trading on the regular way basis on the last trading day immediately preceding the time of distribution (the Closing Pinnacle Stock Price).

The number of shares of OpCo common stock subject to each OpCo Option will be equal to the number of shares of Pinnacle common stock subject to the Pinnacle stock option immediately prior to the time of distribution multiplied by the distribution ratio and rounded down to the nearest whole share. The per share exercise price of each OpCo Option will be equal to the product (rounded up to the nearest whole cent) of (i) the per share exercise price of the Pinnacle stock option immediately prior to the time of distribution multiplied by (ii) a fraction, the numerator of which will be the per share closing when-issued trading price of OpCo common stock on the last trading day immediately preceding the time of distribution (the Opening OpCo Stock Price) and the denominator of which will be the Closing Pinnacle Stock Price.

Upon completion of the merger, each Adjusted Pinnacle Option (including any Adjusted Pinnacle Option held by an executive officer or non-employee director), whether vested or unvested, that is outstanding immediately prior to the completion of the merger will become fully vested and will be cancelled and converted into the right to receive a number of shares of GLPI common stock (rounded down to the nearest whole share) having an aggregate value equal to the intrinsic value of the Adjusted Pinnacle Option. Following the distribution, each OpCo Option will continue to vest based on continued service with OpCo and on the same terms and conditions as was applicable to such Pinnacle stock option immediately prior to the distribution.

Table of Contents

Treatment of Pinnacle Stock Options Granted After July 16, 2015

At the time of distribution, each Pinnacle stock option (including any Pinnacle stock option held by an executive officer or non-employee director) that is outstanding and was granted after July 16, 2015 (an Exempt Option) will be converted into an adjusted OpCo Option (an Adjusted OpCo Option) on the same terms and conditions as were applicable to each such Exempt Option immediately prior to the time of distribution. The number of shares of OpCo common stock subject to each Adjusted OpCo Option will be equal to the product (rounded down to the nearest whole share) of (i) the number of shares of Pinnacle common stock subject to the Exempt Option multiplied by (ii) a fraction, the numerator of which will be the Closing Pinnacle Stock Price and the denominator of which will be the Opening OpCo Stock Price. The per share exercise price of each Adjusted OpCo Option will be equal to the product (rounded up to the nearest whole cent) of (i) the per share exercise price of the Exempt Option immediately prior to the time of distribution multiplied by (ii) a fraction, the numerator of which will be the Opening OpCo Stock Price and the denominator of which will be the Closing Pinnacle Stock Price.

Treatment of Pinnacle RSUs Granted On or Prior to July 16, 2015

At the time of distribution, the holder of each Pinnacle restricted stock unit (including any Pinnacle restricted stock unit held by an executive officer or non-employee director) (including each phantom stock unit, restricted stock unit, other stock unit, performance share, director other stock unit, deferred share and any other similar instrument) granted on or prior to July 16, 2015 (an Adjusted Pinnacle RSU), will receive one OpCo restricted stock unit award (an OpCo RSU).

Upon completion of the merger, each Adjusted Pinnacle RSU (including any Adjusted Pinnacle RSU held by an executive officer or non-employee director), whether vested or unvested, that is outstanding immediately prior to the completion of the merger will become fully vested (with any performance-based vesting requirements deemed to be satisfied at the target level of performance) and will be cancelled and converted into the right to receive, in respect of each share of Pinnacle common stock underlying such Adjusted Pinnacle RSU, the number of shares of GLPI common stock (rounded to the nearest whole share) equal to the exchange ratio. Following the distribution, each OpCo RSU will continue to vest based on continued service with OpCo and on the same terms and conditions as was applicable to such Pinnacle restricted stock unit award immediately prior to the distribution.

Treatment of Pinnacle RSUs Granted After July 16, 2015

At the time of distribution, each Pinnacle restricted stock unit (including any Pinnacle restricted stock unit held by an executive officer or non-employee director) (including each phantom stock unit award, restricted stock unit award, other stock unit award, performance share grant, director other stock unit award, deferred share and any other similar instrument) that is outstanding and was granted after July 16, 2015 (an Exempt RSU) will be converted into an adjusted OpCo restricted stock unit (an Adjusted OpCo RSU) on the same terms and conditions as were applicable to each such Exempt RSU prior to the time of distribution. The number of shares of OpCo common stock subject to each Adjusted OpCo RSU will be equal to the product (rounded to the nearest whole share) of (i) the number of shares of Pinnacle common stock subject to the Exempt RSU multiplied by (ii) a fraction, the numerator of which will be the Closing Pinnacle Stock Price and the denominator of which will be the Opening OpCo Stock Price.

Treatment of Pinnacle PUAs Granted On or Prior to July 16, 2015

At the time of distribution, each Pinnacle cash performance unit (including any Pinnacle cash performance unit held by an executive officer or non-employee director), whether vested or unvested, that was granted on or prior to July 16, 2015, and that is outstanding immediately prior to the time of distribution will be converted into two separate cash performance unit awards, an adjusted Pinnacle cash performance unit (an Adjusted Pinnacle PUA) and an OpCo performance unit (an OpCo Performance Unit), based on the relative equity value of Pinnacle and OpCo.

Table of Contents

The number of Pinnacle cash performance units subject to each Adjusted Pinnacle PUA (rounded to the nearest whole dollar) will be equal to the number of Pinnacle cash performance units outstanding immediately prior to the time of distribution multiplied by a fraction, the numerator of which will be the Opening Pinnacle Stock Price and the denominator of which will be the Closing Pinnacle Stock Price.

The number of OpCo cash performance units subject to each OpCo Performance Unit will be equal to the number of Pinnacle cash performance units subject to the corresponding Pinnacle cash performance unit award outstanding immediately prior to the time of distribution minus the number of Pinnacle cash performance units subject to the corresponding Adjusted Pinnacle PUA.

Upon completion of the merger, each Adjusted Pinnacle PUA (including any Adjusted Pinnacle PUA held by an executive officer or non-employee director), whether vested or unvested, that is outstanding immediately prior to the completion of the merger will become fully vested (with any performance-based vesting requirements deemed to be satisfied at the target level of performance) and will be cancelled and converted into the right to receive the number of shares of GLPI common stock (rounded to the nearest whole share) equal to the aggregate dollar value of the Adjusted Pinnacle PUA divided by the value of GLPI common stock at the time of the closing. Following the distribution, each OpCo Performance Unit will continue to vest based on continued service with OpCo and on the same terms and conditions as was applicable to such Pinnacle cash performance unit award immediately prior to the distribution.

Treatment of Pinnacle PUAs Granted After July 16, 2015

At the time of distribution, each Pinnacle cash performance unit (including any Pinnacle cash performance unit held by an executive officer or non-employee director), whether vested or unvested, that was granted after July 16, 2015 (an Exempt PUA) will be converted into an OpCo cash performance unit (an OpCo PUA), having the same value as the corresponding Pinnacle cash performance unit, on the same terms and conditions regarding term, vesting (as may be equitably adjusted) and other provisions as were applicable to each such Exempt PUA prior to the time of distribution.

Table of Contents

Summary Table of Pinnacle Long-Term Incentive Compensation

The following table shows, as of January 21, 2016, with respect to Anthony M. Sanfilippo, Carlos A. Ruisanchez, Virginia E. Shanks, John A. Godfrey, and Neil E. Walkoff (Pinnacle s Named Executive Officers identified in Pinnacle s Proxy Statement on Schedule 14A filed with the SEC on April 10, 2015) and each other executive officer and director of Pinnacle who served as a director or executive officer of Pinnacle at any point in time on or following January 1, 2015: (1) the number of shares of Pinnacle common stock underlying each Pinnacle option; (2) the value of each Pinnacle option based on the difference between $28.40 (Pinnacle stock price as of January 21, 2016) and the option exercise price; (3) the number of shares of Pinnacle common stock underlying each Pinnacle RSU; (4) the value of Pinnacle RSUs based on the Pinnacle stock price of $28.40; and (5) the cash value of Pinnacle PUAs at target performance level.

Name	Shares Underlying Pinnacle Options (#)	Value of Pinnacle Options ($)	Shares Underlying Pinnacle RSUs (#)	Value of Pinnacle RSUs ($)	Value of Pinnacle PUAs at Target Performance Level ($)	Total Number of Pinnacle Shares (#)	Total Value ($)
Executive Officers							
Anthony M. Sanfilippo	1,162,326	$ 18,159,931	288,414	$ 8,190,958	$ 864,000	1,450,740	$ 27,214,889
Carlos A. Ruisanchez	645,544	$ 9,680,977	168,893	$ 4,796,561	$ 384,000	814,437	$ 14,861,538
Virginia E. Shanks	237,438	$ 3,163,825	128,038	$ 3,636,279	$ 288,000	365,476	$ 7,088,104
John A. Godfrey	286,740	$ 4,307,299	103,215	$ 2,931,306	$ 168,000	389,955	$ 7,406,605
Neil E. Walkoff	173,740	$ 2,415,949	102,977	$ 2,924,547	$ 168,000	276,717	$ 5,508,496
Troy A. Stremming	56,990	$ 287,727	75,291	$ 2,138,264	$ 152,000	132,281	$ 2,577,991
Directors							
Charles L. Atwood	0	0	5,914	$ 167,958	0	5,914	$ 167,958
Stephen C. Comer	69,000	$ 885,240	65,347	$ 1,855,855	0	134,347	$ 2,741,095
Richard J. Goeglein[1]	0	0	0	0	0	0	0
Bruce A. Leslie	84,000	$ 881,240	128,992	$ 3,663,373	0	212,992	$ 4,544,613
James L. Martineau	84,000	$ 881,240	51,264	$ 1,455,898	0	135,264	$ 2,337,138
Desiree Rogers	20,000	$ 360,100	24,236	$ 688,302	0	44,236	$ 1,048,402
Jaynie Miller Studenmund	20,000	$ 360,100	24,236	$ 688,302	0	44,236	$ 1,048,402

(1) Mr. Goeglein s term as a Pinnacle director expired on May 19, 2015.

Quantification of Potential Payments to Pinnacle s Named Executive Officers in Connection with the Merger

In accordance with Item 402(t) of Regulation S-K, the table below entitled Merger-Related Compensation sets forth the estimated amounts of compensation that are based on or otherwise relate to the merger and that may be payable to Pinnacle s Named Executive Officers. These amounts have been calculated assuming the merger was consummated on March 31, 2016.

Table of Contents

Please see the section titled Treatment of Pinnacle Long-Term Incentive Compensation for further information about the compensation disclosed in the table below. The amounts indicated below are estimates of amounts that might become payable to the Named Executive Officers and the estimates are based on multiple assumptions that may or may not prove correct. Some of the assumptions are based on information not currently available and as a result the actual amounts, if any, received by a Named Executive Officer may differ in material respects from the amounts set forth below.

Merger-Related Compensation

Named Executive Officer	Cash ($) (1)	Equity ($) (2)	Pension/ Non-Qualified Deferred Compensation ($)	Perquisites/ Benefits ($)	Tax Reimbursement ($)	Other ($)	Total ($)
Anthony M. Sanfilippo CEO and Director	$ 864,000	$ 14,411,719					$ 15,275,719
Carlos A. Ruisanchez President and CFO	$ 384,000	$ 7,000,902					$ 7,384,902
Virginia E. Shanks EVP, Chief Administrative Officer	$ 288,000	$ 5,448,130					$ 5,736,130
John A. Godfrey EVP, General Counsel and Secretary	$ 168,000	$ 4,460,003					$ 4,628,003
Neil E. Walkoff EVP, Operations	$ 168,000	$ 4,460,003					$ 4,628,003

(1) The amounts in this column represent the aggregate payments, which will be made in the form of GLPI common stock valued at the time of the transaction, which the Named Executive Officers will be entitled to receive in respect of cash-based awards, assuming all such awards will vest at the time of the merger. All such payments are single-trigger arrangements. At this time, Pinnacle does not know the actual split of such awards between Pinnacle and OpCo and, as such, Pinnacle has included the entire value of such awards in this table.

(2) The amounts in this column represent that value of the unvested options, and restricted stock unit awards (including restricted stock unit award, performance share grant, deferred share and any other similar instrument) held by the Named Executive Officers which were granted prior to the date of the merger agreement (i.e., the Named Executive Officers will not receive merger consideration for awards granted under the 2015 Plan following the date of the merger agreement), assuming all such awards will vest at the time of the merger as described above

in Interests of Certain Pinnacle Persons in the Merger. All such payments are single-trigger arrangements. At this time, Pinnacle does not know the actual split of such awards between Pinnacle and OpCo and, as such, Pinnacle has included the entire value of such awards in this table. For the purpose of calculating the value of the unvested awards, the price per share of $39.88 represents the average closing market price of Pinnacle s common stock over the first five business days following the first public announcement of the transaction. The value of the option awards for which vesting is accelerated equals the difference between the average closing market price and the exercise price of such options. The amounts in this column consist of:

Named Executive Officer	Options ($)	Time Vesting Restricted Stock Units ($)	Performance Vesting Restricted Stock Unit Vesting at Target Performance Level ($)	Total ($)
Anthony M. Sanfilippo	$ 4,681,956	$ 5,522,263	$ 4,207,500	$ 14,411,719
Carlos A. Ruisanchez	$ 1,099,380	$ 3,647,744	$ 2,253,778	$ 7,000,902
Virginia E. Shanks	$ 971,919	$ 2,785,897	$ 1,690,314	$ 5,448,130
John A. Godfrey	$ 782,309	$ 2,289,112	$ 1,388,582	$ 4,460,003
Neil E. Walkoff	$ 782,309	$ 2,289,112	$ 1,388,582	$ 4,460,003

Table of Contents

Post-Separation Arrangements with OpCo

It is not anticipated that any of Pinnacle s directors or executive officers will retain such position with GLPI or any of its affiliates following the merger and no such person has entered into any agreement with GLPI or any of its affiliates regarding employment or similar matters. The Employee Matters Agreement to be entered into by Pinnacle and OpCo prior to the distribution provides that the employees of Pinnacle will be transferred to OpCo prior the separation. It is currently contemplated that the Chairman of the Board of Pinnacle as of the time of the separation will be the Chairman of the Board of OpCo, and that Chief Executive Officer at the time of the distribution will be the Chief Executive Officer of OpCo. Except with regard to Pinnacle s outstanding long-term incentive awards (as described more fully above in Interests of Certain Pinnacle Persons in the Merger Treatment of Pinnacle Long-Term Incentive Compensation), OpCo will assume responsibility for, and will pay and be liable for, all wages, salaries, welfare, incentive compensation and employment-related liabilities, and will assume all compensation and employment-related plans and agreements, with respect to each of the employees and directors. Except with regard to Pinnacle s outstanding long-term incentive awards (as described more fully above in Interests of Certain Pinnacle Persons Treatment of Pinnacle Long-Term Incentive Compensation), prior to the separation, Pinnacle will transfer all of the assets, if any, and liabilities relating to the compensation and benefit plans and agreements to OpCo.

Board of Directors and Management of GLPI Following Completion of the Merger

Upon completion of the merger, the current directors and executive officers of GLPI are expected to continue in their current positions, other than as may be publicly announced by GLPI in the normal course.

U.S. Federal Income Tax Considerations Relating to the Merger

The following is a general discussion of the U.S. federal income tax consequences of the merger to U.S. holders (as defined below) of Pinnacle common stock that exchange their shares of Pinnacle common stock for shares of GLPI common stock in the merger. The following discussion is based upon the Code, the U.S. Treasury regulations promulgated thereunder and judicial and administrative authorities, rulings and decisions, all as in effect as of the date of this joint proxy statement/prospectus. These authorities may change, possibly with retroactive effect, and any such change could affect the accuracy of the statements and conclusions set forth in this discussion. This discussion assumes that the merger will be completed in accordance with the merger agreement and as further described in this joint proxy statement/prospectus. This discussion is not a complete description of all of the tax consequences of the merger and, in particular, does not address any tax consequences arising under the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010, nor does it address any tax consequences arising under the laws of any state, local or foreign jurisdiction, or under any U.S. federal laws other than those pertaining to the income tax.

The following discussion applies only to U.S. holders of shares of Pinnacle common stock who hold such shares as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment). Further, this discussion does not purport to consider all aspects of U.S. federal income taxation that might be relevant to U.S. holders in light of their particular circumstances and does not apply to U.S. holders subject to special treatment under the U.S. federal income tax laws (such as, for example, dealers or brokers in securities, commodities or foreign currencies, traders in securities that elect to apply a mark-to-market method of accounting, banks and certain other financial institutions, insurance companies, mutual funds, tax-exempt organizations, holders subject to the alternative minimum tax provisions of the Code, partnerships, S corporations or other pass-through entities or investors in partnerships, regulated investment companies, real estate investment trusts, controlled foreign corporations, passive foreign investment companies, former citizens or residents of the United States, U.S. expatriates, holders whose functional currency is not the U.S. dollar, holders who hold shares of Pinnacle common stock as part of a hedge, straddle, constructive sale or conversion transaction or other integrated investment, holders who acquired Pinnacle common stock pursuant to the exercise of employee stock options, through a tax qualified retirement plan or otherwise as compensation, holders who exercise appraisal rights, or holders who actually or constructively own more than 5% of Pinnacle common stock.

Table of Contents

For purposes of this discussion, the term U.S. holder means a beneficial owner of Pinnacle common stock that is for U.S. federal income tax purposes (1) an individual citizen or resident of the United States, (2) a corporation, or entity treated as a corporation for U.S. federal income tax purposes, organized in or under the laws of the United States or any state thereof or the District of Columbia, (3) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (b) such trust has made a valid election to be treated as a U.S. person for U.S. federal income tax purposes or (4) an estate, the income of which is includible in gross income for U.S. federal income tax purposes, regardless of its source.

If an entity or an arrangement treated as a partnership for U.S. federal income tax purposes holds Pinnacle common stock, the U.S. federal income tax treatment of a partner in such partnership generally will depend on the status of the partner and the activities of the partnership. Any entity treated as a partnership for U.S. federal income tax purposes that holds Pinnacle common stock, and any partners in such partnership, should consult their own independent tax advisors regarding the tax consequences of the merger to their specific circumstances.

Determining the actual tax consequences of the merger to you may be complex and will depend on your specific situation and on factors that are not within our control. You should consult your own independent tax advisor as to the specific tax consequences of the merger in your particular circumstances, including the applicability and effect of the alternative minimum tax and any state, local, foreign and other tax laws and of changes in those laws.

The Merger

The parties intend for the merger to be treated as a reorganization for U.S. federal income tax purposes within the meaning of Section 368(a) of the Code. It is a condition to Pinnacle s obligation to complete the merger that Pinnacle receive an opinion from Skadden dated as of the closing date, to the effect that the merger will qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to GLPI s obligation to complete the merger that GLPI receive an opinion from Wachtell Lipton, dated as of the closing date, to the effect that the merger will qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code. These conditions are waivable, and Pinnacle and GLPI will undertake to re-circulate and re-solicit the joint proxy statement/prospectus (and the related approvals) if either condition is waived and the change in tax consequences is material. These opinions will be based on facts, representations, assumptions and exclusions set forth or referred to in the opinions and in representation letters provided by Pinnacle and GLPI. None of the opinions described above will be binding on the Internal Revenue Service or any court. Pinnacle and GLPI have not sought and will not seek any ruling from the Internal Revenue Service regarding any matter relating to the merger, and as a result, there can be no assurance that the Internal Revenue Service will not assert, or that a court would not sustain, a position contrary to any of the conclusions set forth below. In addition, if any of the representations, warranties, covenants or assumptions upon which those opinions are based are inconsistent with the actual facts, the U.S. federal income tax consequences of the merger could be adversely affected. Assuming that, in accordance with the opinions described above, the merger qualifies as a reorganization within the meaning of Section 368(a) of the Code, upon the exchange of Pinnacle common stock for GLPI common stock and cash in lieu of fractional shares, the U.S. federal income tax consequences will be as follows:

Upon exchanging your Pinnacle common stock for GLPI common stock, you generally will not recognize gain or loss, except with respect to cash received in lieu of fractional shares of GLPI common stock (as discussed below). The aggregate tax basis of the GLPI common stock that you receive in the merger (including any fractional shares deemed received and exchanged for cash, as discussed below) will equal your aggregate adjusted tax basis in the shares of Pinnacle common stock you surrender in the merger. Your holding period for the shares of GLPI common stock that you receive in the merger (including any fractional share deemed received and exchanged for cash, as discussed below) will include your holding period for the shares of Pinnacle common stock that you surrender in the merger. If you acquired different blocks of Pinnacle common stock at different times or at different prices, the GLPI common stock you receive will be allocated pro rata to each block of Pinnacle common stock, and the basis and holding period of each block of GLPI common stock you receive will be determined on a block-for-block basis depending on the basis and holding period of the blocks of Pinnacle common stock exchanged for such GLPI common stock.

If you receive cash in lieu of a fractional share of GLPI common stock, you will be treated as having received such fractional share of GLPI common stock pursuant to the merger and then as having sold such fractional share of GLPI common stock for cash. As a result, you generally will recognize a capital gain or loss equal to the difference between the amount of cash received for such fractional share and your basis in your fractional share of GLPI common stock as set forth above. Such capital gain or loss generally will be long-term capital gain or loss if, as of the effective date of the merger, your holding period for such fractional share (as described above) exceeds one year. Long-term capital gains of individuals are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Taxation of GLPI

It is a condition to the obligation of Pinnacle to complete the merger that Pinnacle receive an opinion of KPMG LLP to the effect that commencing with GLPI s taxable year ended December 31, 2014, GLPI has been organized and operated in conformity with the requirements for qualification as a REIT under the Code, and its proposed method of operation will enable it to continue to meet the requirements for qualification and taxation as a REIT under the Code thereafter. The opinion of KPMG LLP will be subject to customary exceptions, assumptions and qualifications, and be based on certifications made by GLPI regarding factual matters (including those contained in tax representation letters provided by GLPI) relating to the organization and operation of GLPI and its respective subsidiaries, as applicable.

GLPI elected to be treated as a REIT on its U.S. federal income tax return for its taxable year beginning on January 1, 2014 and GLPI, together with an indirectly wholly owned subsidiary of GLPI, GLP Holdings, Inc., have jointly elected to treat each of GLP Holdings, Inc., Louisiana Casino Cruises, Inc. and Penn Cecil Maryland, Inc. as a taxable REIT subsidiary or TRS effective on the first day of the first taxable year of GLPI as a REIT. GLPI intends to continue to be organized and to operate in a manner that will permit it to qualify as a REIT. Qualification and taxation as a REIT depends on GLPI s ability to meet on a continuing basis, through actual operating results, distribution levels, and diversity of stock ownership, various qualification requirements imposed upon REITs by the Code. GLPI s ability to qualify to be taxed as a REIT also requires that it satisfy certain tests, some of which depend upon the fair market values of assets that it owns directly or indirectly. The material qualification requirements are summarized below. Such values may not be susceptible to a precise determination. Accordingly, no assurance can be given that the actual results of GLPI s operations for any taxable year will satisfy such requirements for qualification and taxation as a REIT. Additionally, while GLPI intends to operate so that it continues to qualify to be taxed as a REIT, no assurance can be given that the Internal Revenue Service will not challenge GLPI s qualification, or that GLPI will be able to operate in accordance with the REIT requirements in the future.

Table of Contents

Taxation of REITs in General

As a REIT, generally GLPI is entitled to a deduction for dividends that it pays and therefore is not be subject to U.S. federal corporate income tax on its net REIT taxable income that is currently distributed to GLPI shareholders. This treatment substantially eliminates the double taxation at the corporate and shareholder levels that generally results from an investment in a C corporation. A C corporation is a corporation that generally is required to pay tax at the corporate level. Double taxation means taxation once at the corporate level when income is earned and once again at the shareholder level when the income is distributed. In general, the income that GLPI generates is taxed only at the shareholder level upon a distribution of dividends to its shareholders. GLPI will nonetheless be subject to U.S. federal tax in the following circumstances:

GLPI will be taxed at regular corporate rates on any undistributed net taxable income, including undistributed net capital gains;

GLPI may be subject to the alternative minimum tax on its items of tax preference, including any deductions of net operating losses;

if GLPI has net income from prohibited transactions, which are, in general, sales or other dispositions of inventory or property held primarily for sale to customers in the ordinary course of business, other than foreclosure property, such income will be subject to a 100% tax;

if GLPI elects to treat property that it acquires in connection with a foreclosure of a mortgage loan or certain leasehold terminations as foreclosure property, GLPI may thereby avoid the 100% tax on gain from a resale of that property (if the sale would otherwise constitute a prohibited transaction), but the income from the sale or operation of the property may be subject to corporate income tax at the highest applicable rate (currently 35%);

if GLPI fails to satisfy the 75% gross income test and/or the 95% gross income test, as discussed below, but nonetheless maintains its qualification as a REIT because it satisfies other requirements, it will be subject to a 100% tax on an amount based on the magnitude of the failure, as adjusted to reflect the profit margin associated with its gross income;

if GLPI violates the asset tests (other than certain de minimis violations) or other requirements applicable to REITs, as described below, and yet maintains its qualification as a REIT because there is reasonable cause for the failure and other applicable requirements are met, GLPI may be subject to a penalty tax. In that case, the amount of the penalty tax will be at least $50,000 per failure, and, in the case of certain asset test failures, will be determined as the amount of net income generated by the nonqualifying assets in question multiplied by the highest corporate tax rate (currently 35%) if that amount exceeds $50,000 per failure;

if GLPI fails to distribute during each calendar year at least the sum of (i) 85% of its ordinary income for such year, (ii) 95% of its capital gain net income for such year and (iii) any undistributed net taxable income from prior periods, GLPI will be subject to a nondeductible 4% excise tax on the excess of the required distribution over the sum of (a) the amounts that GLPI actually distributed and (b) the amounts GLPI retained and upon which GLPI paid income tax at the corporate level;

GLPI may be required to pay monetary penalties to the Internal Revenue Service in certain circumstances, including if GLPI fails to meet record-keeping requirements intended to monitor its compliance with rules relating to the composition of a REIT s shareholders;

a 100% tax may be imposed on transactions between GLPI and a TRS that do not reflect arm s-length terms;

if GLPI acquires appreciated assets from a corporation that is not a REIT (i.e., a corporation taxable under subchapter C of the Code) in a transaction in which the adjusted tax basis of the assets in its hands is determined by reference to the adjusted tax basis of the assets in the hands of the subchapter C corporation, GLPI may be subject to tax on such appreciation at the highest corporate income tax rate then applicable if GLPI subsequently recognizes gain on a disposition of any such assets during the ten-year period following their acquisition from the subchapter C corporation; or

Table of Contents

the earnings of its TRSs will generally be subject to U.S. federal corporate income tax.

In addition, GLPI and its subsidiaries may be subject to a variety of taxes, including payroll taxes and state, local, and foreign income, property, gross receipts and other taxes on its assets and operations. GLPI could also be subject to tax in situations and on transactions not presently contemplated.

Requirements for Qualification General

The Code defines a REIT as a corporation, trust or association:

1. that is managed by one or more trustees or directors;
2. the beneficial ownership of which is evidenced by transferable shares, or by transferable certificates of beneficial interest;
3. that would be taxable as a domestic corporation but for its election to be subject to tax as a REIT;
4. that is neither a financial institution nor an insurance company subject to specific provisions of the Code;
5. the beneficial ownership of which is held by 100 or more persons;
6. in which, during the last half of each taxable year, not more than 50% in value of the outstanding stock is owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include specified tax-exempt entities); and
7. that meets other tests described below, including with respect to the nature of its income and assets.

The Code provides that conditions (1) through (4) must be met during the entire taxable year, and that condition (5) must be met during at least 335 days of a taxable year of 12 months, or during a proportionate part of a shorter taxable year. Conditions (5) and (6) need not be met during a corporation s initial tax year as a REIT (which, in its case, was 2014). GLPI s charter provides restrictions regarding the ownership and transfers of its stock, which are intended to assist GLPI in satisfying the stock ownership requirements described in conditions (5) and (6) above. These restrictions, however, may not ensure that GLPI will, in all cases, be able to satisfy the share ownership requirements described in conditions (5) and (6) above. If GLPI fails to satisfy these share ownership requirements, except as provided in the next sentence, its status as a REIT will terminate. If, however, GLPI complies with the rules contained in applicable U.S. Department of the Treasury (the Treasury) regulations that require GLPI to ascertain the actual ownership of its shares and GLPI does not know, or would not have known through the exercise of reasonable diligence, that it failed to meet the requirements described in condition (6) above, GLPI will be treated as having met this requirement.

To monitor compliance with the stock ownership requirements, GLPI generally is required to maintain records regarding the actual ownership of its stock. To do so, GLPI must demand written statements each year from the record holders of significant percentages of its stock pursuant to which the record holders must disclose the actual owners of the stock (*i.e.*, the persons required to include its dividends in their gross income). GLPI must maintain a list of those persons failing or refusing to comply with this demand as part of its records. GLPI could be subject to monetary penalties if it fails to comply with these record-keeping requirements. If, upon request by GLPI, a shareholder fails or refuses to comply with the demands, such holder will be required by Treasury regulations to submit a statement with his, her or its tax return disclosing the actual ownership of its stock and other information.

Qualified REIT Subsidiaries

The Code provides that a corporation that is a qualified REIT subsidiary shall not be treated as a separate corporation, and all assets, liabilities and items of income, deduction and credit of a qualified REIT subsidiary shall be treated as assets, liabilities and items of income, deduction and credit of the REIT. A qualified REIT subsidiary is a corporation, all of the capital stock of which is owned by the REIT, that has not elected to be a TRS (discussed below). In applying the requirements described herein, all of its qualified REIT subsidiaries will be ignored, and all assets, liabilities and items of income, deduction and credit of such subsidiaries will be treated as its assets, liabilities and items of income, deduction and credit. These subsidiaries, therefore, will not be subject to federal corporate income taxation, although they may be subject to state and local taxation.

Taxable REIT Subsidiaries

In general, GLPI may jointly elect with a subsidiary corporation, whether or not wholly owned, to treat such subsidiary corporation as a TRS. GLPI generally may not own more than 10% of the securities of a taxable corporation, as measured by voting power or value, unless GLPI and such corporation elect to treat such corporation as a TRS. The separate existence of a TRS is not ignored for U.S. federal income tax purposes. Accordingly, a TRS generally is subject to corporate income tax on its earnings, which may reduce the cash flow that GLPI and its subsidiaries generate in the aggregate and may reduce its ability to make distributions to its shareholders.

GLPI is not treated as holding the assets of a TRS or as receiving any income that the subsidiary earns. Rather, the stock issued by the TRS to GLPI is an asset in its hands, and GLPI treats the dividends paid to it, if any, as income. This treatment can affect GLPI s income and asset test calculations, as described below. Because GLPI does not include the assets and income of TRSs on a look-through basis in determining its compliance with the REIT requirements, GLPI may use such entities to undertake indirectly activities that the REIT rules might otherwise preclude GLPI from doing directly or through pass-through subsidiaries. For example, GLPI may use TRSs to perform services or conduct activities that give rise to certain categories of income or to conduct activities that, if conducted by GLPI directly, would be treated in its hands as prohibited transactions.

The TRS rules limit the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation. Further, the rules impose a 100% excise tax on transactions between a TRS and its parent REIT or the REIT s tenants that are not conducted on an arm s-length basis. GLPI intends that all of its transactions with its TRSs, if any, will be conducted on an arm s-length basis.

Income Tests

As a REIT, GLPI must satisfy two gross income requirements on an annual basis. First, at least 75% of its gross income for each taxable year, excluding gross income from sales of inventory or dealer property in prohibited transactions, discharge of indebtedness and certain hedging transactions, generally must be derived from rents from real property, gains from the sale of certain real estate assets, interest income derived from mortgage loans secured by real property (including certain types of mortgage-backed securities and certain loans partially secured by personal property), dividends received from other REITs, and specified income from temporary investments. Second, at least 95% of its gross income in each taxable year, excluding gross income from prohibited transactions, discharge of indebtedness and certain hedging transactions, must be derived from some combination of income that qualifies under the 75% gross income test described above, as well as other dividends, interest, and gain from the sale or disposition of stock or securities, which need not have any relation to real property. Income and gain from certain hedging transactions will be excluded from both the numerator and the denominator for purposes of both the 75% and 95% gross income tests.

Rents received by a REIT will qualify as rents from real property in satisfying the gross income requirements described above only if several conditions are met.

The amount of rent must not be based in whole or in part on the income or profits of any person. However, an amount received or accrued generally will not be excluded from the term rents from real property solely by reason of being based on a fixed percentage or percentages of gross receipts or sales.

Rents received from a tenant will not qualify as rents from real property in satisfying the gross income tests if the REIT, or a direct or indirect owner of 10% or more of the REIT, directly or constructively, owns 10% or more of such tenant (a Related Party Tenant). However, rental payments from a TRS will qualify as rents from real property even if GLPI owns more than 10% of the total value or combined voting power of the TRS if at least 90% of the property is leased to unrelated tenants and the rent paid by the TRS is substantially comparable to the rent paid by the unrelated tenants for comparable space.

Rent attributable to personal property leased in connection with a lease of real property will not qualify as rents from real property if such rent exceeds 15% of the total rent received under the lease.

The REIT generally must not operate or manage the property or furnish or render services to tenants, except through an independent contractor who is adequately compensated and from whom the REIT derives no income, or through a TRS. The independent contractor requirement, however, does not apply to the extent the services provided by the REIT are usually or customarily rendered in connection with the rental of space for occupancy only, and are not otherwise considered rendered to the occupant. In addition, a de minimis rule applies with respect to non-customary services. Specifically, if the value of the non-customary service income with respect to a property (valued at no less than 150% of the direct costs of performing such services) is 1% or less of the total income derived from the property, then all rental income except the non-customary service income will qualify as rents from real property. A TRS may provide services (including noncustomary services) to a REIT s tenants without tainting any of the rental income received by the REIT, and will be able to manage or operate properties for third parties and generally engage in other activities unrelated to real estate.

GLPI does not anticipate receiving rent that is based in whole or in part on the income or profits of any person (except by reason of being based on a fixed percentage or percentages of gross receipts or sales consistent with the rules described above). GLPI also does not anticipate receiving more than a de minimis amount of rents from any Related Party Tenant or rents attributable to personal property leased in connection with real property that will exceed 15% of the total rents received with respect to such real property. GLPI may receive certain types of income that will not qualify under the 75% or 95% gross income tests. In particular, dividends received from a TRS will not qualify under the 75% test. GLPI believes, however, that the aggregate amount of such items and other non-qualifying income in any taxable year will not cause GLPI to exceed the limits on non-qualifying income under either the 75% or 95% gross income tests.

GLPI may directly or indirectly receive distributions from TRSs or other corporations that are not REITs or qualified REIT subsidiaries. These distributions generally are treated as dividend income to the extent of the earnings and profits of the distributing corporation. Such distributions will generally constitute qualifying income for purposes of the 95% gross income test, but not for purposes of the 75% gross income test. Any dividends that GLPI receives from another REIT or qualified REIT subsidiary, however, will be qualifying income for purposes of both the 95% and 75% gross income tests.

GLPI believes that it has and will continue to be in compliance with these gross income tests. If GLPI fails to satisfy one or both of the 75% or 95% gross income tests for any taxable year, GLPI may still qualify to be taxed as a REIT for such year if GLPI is entitled to relief under applicable provisions of the Code. These relief provisions will be generally available if (i) its failure to meet these tests was due to reasonable cause and not due to willful neglect and (ii) following its identification of the failure to meet the 75% or 95% gross income test for any taxable year, GLPI files a schedule with the Internal Revenue Service setting forth each item of its gross income for purposes of the 75% or 95% gross income test for such taxable year in accordance with Treasury regulations, which have not yet been issued. It is not possible to state whether GLPI would be entitled to the benefit of these relief provisions in all circumstances. If these relief provisions are inapplicable to a particular set of circumstances, GLPI will not qualify to be taxed as a REIT. Even if these relief provisions apply, and GLPI retains its status as a REIT, the Code imposes a tax based upon the amount by which GLPI fails to satisfy the particular gross income test.

Table of Contents

Asset Tests

At the close of each calendar quarter, GLPI must also satisfy its tests relating to the nature of its assets:

First, at least 75% of the value of its total assets must be represented by some combination of real estate assets, cash, cash items, U.S. government securities, and, under some circumstances, stock or debt instruments purchased with new capital. For this purpose, real estate assets include interests in real property, stock of other corporations that qualify as REITs and debt instruments issued by publicly offered REITs, as well as some kinds of mortgage-backed securities, mortgage loans and certain personal property to the extent that rent attributable thereto is treated as rents from real property, as described above. Assets that do not qualify for purposes of the 75% asset test are subject to the additional asset tests described below.

Second, the value of any one issuer s securities that GLPI owns may not exceed 5% of the value of its total assets.

Third, GLPI may not own more than 10% of any one issuer s outstanding securities, as measured by either voting power or value. The 5% and 10% asset tests do not apply to securities of TRSs and qualified REIT subsidiaries and the 10% asset test does not apply to straight debt having specified characteristics and to certain other securities described below. Solely for purposes of the 10% asset test, the determination of its interest in the assets of a partnership or limited liability company in which GLPI owns an interest will be based on its proportionate interest in any securities issued by the partnership or limited liability company, excluding for this purpose certain securities described in the Code. The safe harbor under which certain types of securities are disregarded for purposes of the 10% value limitation includes (1) straight debt securities (including straight debt securities that provides for certain contingent payments); (2) any loan to an individual or an estate; (3) any rental agreement described in Section 467 of the Code, other than with a related person ; (4) any obligation to pay rents from real property; (5) certain securities issued by a State or any political subdivision thereof, or the Commonwealth of Puerto Rico; (6) any security issued by a REIT; and (7) any other arrangement that, as determined by the Secretary of the Treasury, is excepted from the definition of a security. In addition, for purposes of applying the 10% value limitation, (a) a REIT s interest as a partner in a partnership is not considered a security; (b) any debt instrument issued by a partnership is not treated as a security if at least 75% of the partnership s gross income is from sources that would qualify for the 75% REIT gross income test, and (c) any debt instrument issued by a partnership is not treated as a security to the extent of the REIT s interest as a partner in the partnership.

Fourth, (1) the aggregate value of all securities of TRSs that GLPI holds may not, in the aggregate, exceed 20% of the value of its total assets, (2) the value of all non-qualified securities that GLPI holds may not, in the aggregate, exceed 25% of the value of its total assets and (3) the value of all debt instruments issued by publicly offered REITs that GLPI holds may not, in the aggregate, exceed 25% of the total value of its assets.

However, certain relief provisions are available to allow REITs to satisfy the asset requirements or to maintain REIT qualification notwithstanding certain violations of the asset and other requirements. For example, if GLPI should fail to satisfy the asset tests at the end of a calendar quarter such a failure would not cause GLPI to lose its REIT qualification if it (i) satisfied the asset tests at the close of the preceding calendar quarter and (ii) the discrepancy between the value of its assets and the asset requirements was not wholly or partly caused by an acquisition of non-qualifying assets, but instead arose from changes in the relative market values of its assets. If the condition described in (ii) were not satisfied, GLPI still could avoid disqualification by eliminating any discrepancy within 30 days after the close of the calendar quarter in which it arose or by making use of the relief provisions described above.

In the case of *de minimis* violations of the 10% and 5% asset tests, a REIT may maintain its qualification despite a violation of such requirements if (i) the value of the assets causing the violation does not exceed the lesser of

Table of Contents

1% of the REIT s total assets and $10,000,000 and (ii) the REIT either disposes of the assets causing the failure within six months after the last day of the quarter in which it identifies the failure, or the relevant tests are otherwise satisfied within that time frame.

Even if GLPI did not qualify for the foregoing relief provisions, one additional provision allows a REIT that fails one or more of the asset requirements to nevertheless maintain its REIT qualification if (i) the REIT provides the Internal Revenue Service with a description of each asset causing the failure, (ii) the failure is due to reasonable cause and not willful neglect, (iii) the REIT pays a tax equal to the greater of (a) $50,000 per failure and (b) the product of the net income generated by the assets that caused the failure multiplied by the highest applicable corporate tax rate (currently 35%) and (iv) the REIT either disposes of the assets causing the failure within six months after the last day of the quarter in which it identifies the failure, or otherwise satisfies the relevant asset tests within that time frame.

GLPI believes that it has been and will continue to be in compliance with the asset tests described above.

Annual Distribution Requirements

In order to qualify to be subject to tax as a REIT, GLPI is required to distribute dividends, other than capital gain dividends, to its shareholders in an amount at least equal to:

(i) the sum of

(a) 90% of its REIT taxable income, computed without regard to its net capital gains and the deduction for dividends paid; and

(b) 90% of its after tax net income, if any, from foreclosure property (as described below); minus

(ii) the excess of the sum of specified items of non-cash income over 5% of its REIT taxable income, computed without regard to its net capital gain and the deduction for dividends paid.

GLPI generally must make these distributions in the taxable year to which they relate, or in the following taxable year if declared before GLPI timely files its tax return for the year and if paid with or before the first regular dividend payment after such declaration. These distributions will be treated as received by its shareholders in the year in which paid.

To the extent that GLPI distributes at least 90%, but less than 100%, of its REIT taxable income, as adjusted, GLPI will be subject to tax at ordinary corporate tax rates on the retained portion. GLPI may elect to retain, rather than distribute, some or all of its net long-term capital gains and pay tax on such gains. In this case, GLPI could elect for its shareholders to include their proportionate shares of such undistributed long-term capital gains in income, and to receive a corresponding credit for their share of the tax that GLPI paid. GLPI shareholders would then increase the adjusted basis of their stock by the difference between (i) the amounts of capital gain dividends that GLPI designated and that they include in their taxable income, minus (ii) the tax that GLPI paid on their behalf with respect to that income.

To the extent that in the future GLPI may have available net operating losses carried forward from prior tax years, such losses may reduce the amount of distributions that GLPI must make in order to comply with the REIT distribution requirements.

If GLPI fails to distribute during each calendar year at least the sum of (i) 85% of its ordinary income for such year, (ii) 95% of its capital gain net income for such year and (iii) any undistributed net taxable income from prior periods, GLPI will be subject to a non-deductible 4% excise tax on the excess of such required distribution over the sum of (a) the amounts actually distributed, plus (b) the amounts of income GLPI retained and on which GLPI has paid corporate income tax.

Table of Contents

GLPI expects that its REIT taxable income will be less than its cash flow because of depreciation and other non-cash charges included in computing REIT taxable income. Accordingly, GLPI anticipates that it generally will have sufficient cash or liquid assets to enable it to satisfy the distribution requirements described above. However, from time to time, GLPI may not have sufficient cash or other liquid assets to meet these distribution requirements due to timing differences between the actual receipt of income and actual payment of deductible expenses, and the inclusion of income and deduction of expenses in determining its taxable income. In addition, GLPI may decide to retain its cash, rather than distribute it, in order to repay debt, acquire assets, or for other reasons. If these timing differences occur, GLPI may borrow funds to pay dividends or pay dividends through the distribution of other property (including shares of its stock) in order to meet the distribution requirements, while preserving its cash.

If its taxable income for a particular year is subsequently determined to have been understated, GLPI may be able to rectify a resultant failure to meet the distribution requirements for a year by paying deficiency dividends to shareholders in a later year, which may be included in its deduction for dividends paid for the earlier year. In this case, GLPI may be able to avoid losing REIT qualification or being taxed on amounts distributed as deficiency dividends, subject to the 4% excise tax described above. GLPI will be required to pay interest based on the amount of any deduction taken for deficiency dividends.

For purposes of the 90% distribution requirement and excise tax described above, any distribution must be paid in the taxable year to which they relate, or in the following taxable year if such distributions are declared in October, November or December of the taxable year, are payable to shareholders of record on a specified date in any such month, and are actually paid before the end of January of the following year. Such distributions are treated as both paid by GLPI and received by its shareholders on December 31 of the year in which they are declared.

In addition, at its election, a distribution for a taxable year may be declared before GLPI timely files its tax return for the year, provided GLPI pays such distribution with or before its first regular dividend payment after such declaration, and such payment is made during the 12-month period following the close of such taxable year. Such distributions are taxable to its shareholders in the year in which paid, even though the distributions relate to its prior taxable year for purposes of the 90% distribution requirement.

GLPI believes that it has satisfied the annual distribution requirements for the year of its initial REIT election, the year ended December 31, 2014. Although GLPI intends to satisfy the annual distribution requirements to continue to qualify as a REIT for the year ending December 31, 2015 and thereafter, economic, market, legal, tax or other considerations could limit its ability to meet those requirements.

Failure to Qualify

If GLPI fails to satisfy one or more requirements for REIT qualification other than the income or asset tests, GLPI could avoid disqualification as a REIT if its failure is due to reasonable cause and not to willful neglect and GLPI pays a penalty of $50,000 for each such failure. Relief provisions are also available for failures of the income tests and asset tests, as described above in Income Tests and Asset Tests.

If GLPI fails to qualify for taxation as a REIT in any taxable year, and the relief provisions described above do not apply, GLPI would be subject to tax, including any applicable alternative minimum tax, on its taxable income at regular corporate rates. GLPI cannot deduct distributions to shareholders in any year in which GLPI is not a REIT, nor would GLPI be required to make distributions in such a year. In this situation, to the extent of current and accumulated earnings and profits (as determined for U.S. federal income tax purposes), distributions to shareholders would be taxable as regular corporate dividends. Such dividends paid to U.S. holders that are individuals, trusts and estates may be taxable at the preferential income tax rates (*i.e.*, the 20% maximum U.S. federal rate) for qualified dividends. In addition, subject to the limitations of the Code, corporate distributes may be eligible for the dividends received deduction. Unless GLPI is entitled to relief under specific statutory

Table of Contents

provisions, GLPI would also be disqualified from re-electing to be taxed as a REIT for the four taxable years following the year during which GLPI lost its qualification. It is not possible to state whether, in all circumstances, GLPI would be entitled to this statutory relief.

Taxation of GLPI Shareholders

The following is a summary of certain U.S. federal income tax consequences of the ownership and disposition of GLPI stock applicable to U.S. holders

Distributions

So long as GLPI continues to qualify to be taxed as a REIT, the distributions that GLPI makes to its taxable U.S. holders out of current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) that GLPI does not designate as capital gain dividends will generally be taken into account by such shareholders as ordinary income and will not be eligible for the dividends received deduction for corporations. With limited exceptions, its dividends are not eligible for taxation at the preferential income tax rates (*i.e.,* the 20% maximum U.S. federal income tax rate) for qualified dividends received by most U.S. holders that are individuals, trusts and estates from taxable C corporations. Such shareholders, however, are taxed at the preferential rates on dividends designated by and received from REITs to the extent that the dividends are attributable to:

- income retained by the REIT in the prior taxable year on which the REIT was subject to corporate level income tax (less the amount of tax);

- dividends received by the REIT from TRSs or other taxable C corporations; or

- income in the prior taxable year from the sales of built-in gain property acquired by the REIT from C corporations in carryover basis transactions (less the amount of corporate tax on such income).

Distributions that GLPI designates as capital gain dividends will generally be taxed to its U.S. holders as long-term capital gains, to the extent that such distributions do not exceed its actual net capital gain for the taxable year (and, for taxable years beginning after December 31, 2015, may not exceed GLPI s dividends paid for the taxable year), without regard to the period for which the shareholder that receives such distribution has held its stock. GLPI may elect to retain and pay taxes on some or all of its net long-term capital gains, in which case GLPI may elect to apply provisions of the Code that treat its U.S. holders as having received, solely for tax purposes, its undistributed capital gains, and the shareholders as receiving a corresponding credit for taxes that GLPI paid on such undistributed capital gains. See Taxation of GLPI Annual Distribution Requirements. Corporate shareholders may be required to treat up to 20% of some capital gain dividends as ordinary income. Long-term capital gains are generally taxable at maximum U.S. federal rates of 20% in the case of U.S. holders that are individuals, trusts and estates, and 35% in the case of U.S. holders that are corporations. Capital gains attributable to the sale of depreciable real property held for more than 12 months are subject to a 25% maximum U.S. federal income tax rate for taxpayers who are taxed as individuals, to the extent of previously claimed depreciation deductions.

Distributions in excess of GLPI s current and accumulated earnings and profits (as determined for U.S. federal income tax purposes) will generally represent a return of capital and will not be taxable to a shareholder to the extent that the amount of such distributions does not exceed the adjusted basis of the shareholder s shares in respect of which the distributions were made. Rather, the distribution will reduce the adjusted basis of the shareholder s shares. To the extent that such distributions exceed the adjusted basis of a shareholder s shares, the shareholder generally must include such distributions in income as long-term capital gain if the shares have been held for more than one year, or short-term capital gain if the shares have been held for one year or less. In addition, any dividend that GLPI declares in October, November or December of any year and that is payable to a shareholder of record on a specified date in any such month will be treated as both paid by GLPI and received by the shareholder on December 31 of such year, provided that GLPI actually pays the dividend before the end of January of the following calendar year.

Table of Contents

To the extent that GLPI has available net operating losses and capital losses carried forward from prior tax years, such losses may reduce the amount of distributions that GLPI must make in order to comply with the REIT distribution requirements. See Taxation of GLPI Annual Distribution Requirements. Such losses, however, are not passed through to shareholders and do not offset income of shareholders from other sources, nor would such losses affect the character of any distributions that GLPI makes, which are generally subject to tax in the hands of shareholders to the extent that GLPI has current or accumulated earnings and profits (as determined for U.S. federal income tax purposes).

Dispositions of GLPI Stock

If a U.S. holder sells or disposes of shares of its stock, it will generally recognize a gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale or other disposition and the shareholder s adjusted tax basis in the shares of stock. In general, capital gains recognized by individuals, trusts and estates upon the sale or disposition of its stock will be subject to a maximum U.S. federal income tax rate of 20% if the stock is held for more than one year, and will be taxed at ordinary income rates (of up to 39.6%) if the stock is held for one year or less. Gains recognized by shareholders that are corporations are subject to U.S. federal income tax at a maximum rate of 35%, whether or not such gains are classified as long-term capital gains. Capital losses recognized by a shareholder upon the disposition of its stock that was held for more than one year at the time of disposition will be considered long-term capital losses, and are generally available only to offset capital gain income of the shareholder but not ordinary income (except in the case of individuals, who may also offset up to $3,000 of ordinary income each year). In addition, any loss upon a sale or exchange of shares of its stock by a shareholder who has held the shares for six months or less, after applying holding period rules, will be treated as a long-term capital loss to the extent of actual or deemed distributions that GLPI makes that are required to be treated by the shareholder as long-term capital gain.

Taxation of Non-U.S. Shareholders

The following is a summary of certain U.S. federal income and estate tax consequences of the ownership and disposition of GLPI stock applicable to non-U.S. holders. A non-U.S. holder is any holder of GLPI common stock other than a partnership or U.S. holder.

Ordinary Dividends

The portion of dividends received by non-U.S. holders that (i) is payable out of GLPI s earnings and profits, (ii) is not attributable to capital gains that GLPI recognizes and (iii) is not effectively connected with a U.S. trade or business of the non-U.S. holder, will be subject to U.S. withholding tax at the rate of 30%, unless reduced or eliminated by treaty.

In general, non-U.S. holders will not be considered to be engaged in a U.S. trade or business solely as a result of their ownership of its stock. In cases where the dividend income from a non-U.S. holder s investment in its stock is, or is treated as, effectively connected with the non-U.S. holder s conduct of a U.S. trade or business, the non-U.S. holder generally will be subject to U.S. federal income tax at graduated rates, in the same manner as U.S. holders are taxed with respect to such dividends. Such effectively connected income must generally be reported on a U.S. income tax return filed by or on behalf of the non-U.S. holder. The income may also be subject to a branch profits tax at the rate of 30% (unless reduced or eliminated by treaty) in the case of a non-U.S. holder that is a corporation.

Non-Dividend Distributions

Unless its stock constitutes a U.S. real property interest (USRPI), distributions that GLPI makes which are not dividends out of its earnings and profits will not be subject to U.S. income tax. If GLPI cannot determine at the time a distribution is made whether or not the distribution will exceed current and accumulated earnings and profits, the distribution will be subject to withholding at the rate applicable to dividends. The non-U.S. holder may seek a refund from the Internal Revenue Service of any amounts withheld if it is subsequently determined that the distribution was, in fact, in excess of its current and accumulated earnings and profits. If its stock constitutes a USRPI, as described below, distributions that GLPI makes in excess of the sum of (i) the shareholder s proportionate share of its earnings and profits, plus (ii) the shareholder s basis in its stock, will be taxed under the Foreign Investment in Real Property Tax Act of 1980 (FIRPTA), at the rate of tax, including any applicable capital gains rates, that would apply to a U.S. holder of the same type (*e.g.*, an individual or a corporation, as the case may be), and the collection of the tax will be enforced by a withholding at a rate of 15% of the amount by which the distribution exceeds the shareholder s share of its earnings and profits.

Capital Gain Dividends

Under FIRPTA, a distribution that GLPI makes to a non-U.S. holder, to the extent attributable to gains from dispositions of USRPIs that GLPI held directly or through pass-through subsidiaries, or USPRI capital gains, will, except as described below, be considered effectively connected with a U.S. trade or business of the non-U.S. holder and will be subject to U.S. income tax at the rates applicable to U.S. individuals or corporations, without regard to whether GLPI designates the distribution as a capital gain dividend. See above under Ordinary Dividends, for a discussion of the consequences of income that is effectively connected with a U.S. trade or business. In addition, GLPI will be required to withhold tax equal to 35% of the maximum amount that could have been designated as USRPI capital gain dividends. Distributions subject to FIRPTA may also be subject to a branch profits tax at the rate of 30% (unless reduced or eliminated by treaty) in the hands of a non-U.S. holder that is a corporation. A distribution is not attributable to USRPI capital gain if GLPI held an interest in the underlying asset solely as a creditor. Capital gain dividends received by a non-U.S. holder that are attributable to dispositions of its assets other than USRPIs are not subject to U.S. federal income or withholding tax, unless (i) the gain is effectively connected with the non-U.S. holder s U.S. trade or business, in which case the non-U.S. holder would be subject to the same treatment as U.S. holders with respect to such gain, except that a non-U.S. holder that is a corporation may also be subject to a branch profits tax at the rate of 30% (unless reduced or eliminated by treaty), or (ii) the non-U.S. holder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a tax home in the United States, in which case the non-U.S. holder will incur a 30% tax on his capital gains. GLPI expects that a significant portion of its assets are USRPIs.

A capital gain dividend that would otherwise have been treated as a USRPI capital gain will not be so treated or be subject to FIRPTA, and generally will not be treated as income that is effectively connected with a U.S. trade or business, and instead will be treated in the same manner as an ordinary dividend (see Ordinary Dividends), if (i) the capital gain dividend is received with respect to a class of stock that is regularly traded on an established securities market located in the United States and (ii) the recipient non-U.S. holder does not own more than 10% of that class of stock at any time during the year ending on the date on which the capital gain dividend is received. GLPI anticipates that its common stock is regularly traded on an established securities exchange. In addition, distributions to certain non-U.S. publicly traded shareholders that meet certain record-keeping and other requirements (qualified shareholders) are exempt from FIRPTA, except to the extent owners of such qualified shareholders that are not also qualified shareholders own, actually or constructively, more than 10% of GLPI s common stock.

Dispositions of GLPI Stock

Unless GLPI s stock constitutes a USRPI, a sale of GLPI stock by a non-U.S. holder generally will not be subject to U.S. taxation under FIRPTA. Subject to certain exceptions discussed below, GLPI s stock will be treated as a USRPI if 50% or more of its assets throughout a prescribed testing period consist of interests in real property located within the

United States, excluding, for this purpose, interests in real property solely in a capacity as a creditor. GLPI believes that 50% or more of its assets will consist of USRPIs.

Even if the foregoing 50% test is met, however, its stock will not constitute a USRPI if GLPI is a domestically controlled qualified investment entity. A domestically controlled qualified investment entity includes a REIT, less than 50% of value of which is held, directly or indirectly, by non-U.S. holders at all times during a specified testing period. As described above, its charter contains restrictions designed to protect its status as a domestically controlled qualified investment entity, and GLPI believes that it is and will remain a domestically controlled qualified investment entity, and that a sale of its stock should not be subject to taxation under FIRPTA. However, no assurance can be given that GLPI is or will remain a domestically controlled qualified investment entity.

In the event that GLPI is not a domestically controlled qualified investment entity, but its stock is regularly traded, as defined by applicable Treasury regulations, on an established securities market, a non-U.S. holder s sale of its common stock nonetheless also would not be subject to tax under FIRPTA as a sale of a USRPI, provided that the selling non-U.S. holder held 10% or less of its outstanding common stock at any time during a prescribed testing period. GLPI believes that its common stock is regularly traded on an established securities market.

In addition, dispositions of GLPI s common stock by qualified shareholders are exempt from FIRPTA, except to the extent owners of such qualified shareholders that are not also qualified shareholders own, actually or constructively, more than 10% of GLPI s common stock. An actual or deemed disposition of the capital stock of GLPI by such shareholders may also be treated as a dividend. Furthermore, dispositions of GLPI s capital stock by qualified foreign pension funds or entities all of the interests of which are held by qualified foreign pension funds are exempt from FIRPTA. Non-U.S. holders are urged to consult their tax advisors regarding the application of these rules.

If gain on the sale of GLPI stock were subject to taxation under FIRPTA, the non-U.S. holder would be required to file a U.S. federal income tax return and would be subject to the same treatment as a U.S. holder with respect to such gain, subject to applicable alternative minimum tax and a special alternative minimum tax in the case of non-resident alien individuals. Moreover, in order to enforce the collection of the tax, the purchaser of the stock could be required to withhold 15% of the purchase price and remit such amount to the Internal Revenue Service.

Gain from the sale of GLPI stock that would not otherwise be subject to FIRPTA will nonetheless be taxable in the United States to a non-U.S. holder in two cases: (i) if the non-U.S. holder s investment in GLPI stock is effectively connected with a U.S. trade or business conducted by such non-U.S. holder, the non-U.S. holder will be subject to the same treatment as a U.S. holder with respect to such gain, except that a non-U.S. holder that is a corporation may also be subject to a branch profits tax at a rate of 30% (unless reduced or eliminated by treaty), or (ii) if the non-U.S. holder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a tax home in the United States, the nonresident alien individual will be subject to a 30% tax on the individual s capital gain. In addition, even if GLPI is a domestically controlled qualified investment entity, upon disposition of GLPI stock (subject to the 10% exception applicable to regularly traded stock described above), a non-U.S. holder may be treated as having gain from the sale or exchange of a USRPI if the non-U.S. holder (a) disposes of its common stock within a 30-day period preceding the ex-dividend date of a distribution, any portion of which, but for the disposition, would have been treated as gain from the sale or exchange of a USRPI and (b) acquires, or enters into a contract or option to acquire, other shares of its common stock within 30 days after such ex-dividend date.

Non-U.S. holders are urged to consult their tax advisors regarding the U.S. federal, state, local and foreign income and other tax consequences of owning its stock.

Taxation of Tax-Exempt Shareholders

Tax-exempt entities, including qualified employee pension and profit sharing trusts and individual retirement accounts, generally are exempt from U.S. federal income taxation. However, they may be subject to taxation on their unrelated business taxable income (UBTI). While some investments in real estate may generate UBTI, the Internal Revenue Service has ruled that dividend distributions from a REIT to a tax-exempt entity do not constitute UBTI. Based on that ruling, and provided that (i) a tax-exempt shareholder has not held its stock as debt financed property within the meaning of the Code (*i.e.*, where the acquisition or holding of the property is financed through a borrowing by the tax-exempt shareholder) and (ii) its stock is not otherwise used in an unrelated trade or business, distributions that GLPI makes and income from the sale of its stock generally should not give rise to UBTI to a tax-exempt shareholder.

Tax-exempt shareholders that are social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts, and qualified group legal services plans exempt from U.S. federal income taxation under sections 501(c)(7), (c)(9), (c)(17) and (c)(20) of the Code are subject to different UBTI rules, which generally require such shareholders to characterize distributions that GLPI makes as UBTI.

In certain circumstances, a pension trust that owns more than 10% of its stock could be required to treat a percentage of any dividends received from us as UBTI if GLPI is a pension-held REIT. GLPI will not be a pension-held REIT unless (i) GLPI is required to look through one or more of its pension trust shareholders in order to satisfy the REIT closely-held test and (ii) either (a) one pension trust owns more than 25% of the value of its stock or (b) one or more pension trusts, each individually holding more than 10% of the value of its stock, collectively own more than 50% of the value of its stock. Certain restrictions on ownership and transfer of GLPI stock generally should prevent a tax-exempt entity from owning more than 10% of the value of its stock and generally should prevent GLPI from becoming a pension-held REIT.

Tax-exempt shareholders are urged to consult their tax advisors regarding the U.S. federal, state, local and foreign income and other tax consequences of owning GLPI stock.

Other Tax Considerations

Legislative or Other Actions Affecting REITs

The present U.S. federal income tax treatment of REITs may be modified, possibly with retroactive effect, by legislative, judicial or administrative action at any time. The REIT rules are constantly under review by persons involved in the legislative process and by the Internal Revenue Service and the Treasury which may result in statutory changes as well as revisions to regulations and interpretations. Changes to the U.S. federal tax laws and interpretations thereof could adversely affect an investment in its common stock.

Foreign Account Tax Compliance Act

Withholding at a rate of 30% generally will be required on dividends in respect of, and, after December 31, 2018, gross proceeds from the sale or other disposition of, GLPI common stock held by or through certain foreign financial institutions (including investment funds), unless such institution (i) enters into, and complies with, an agreement with the Internal Revenue Service to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by U.S. persons, or (ii) if required under an intergovernmental agreement between the U.S. and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country, or other guidance, may modify these requirements. Accordingly, the entity through which GLPI common stock is held will affect the determination of whether such withholding is required. Similarly, dividends in respect of, and, after December 31, 2018, gross proceeds from the sale or other disposition of, our common stock held by an investor that is a non-financial non-U.S. entity that does not qualify under certain exemptions generally will be subject to withholding at a rate of 30%, unless such entity either (i) certifies that such entity does not have any substantial United States owners or (ii) provides certain information regarding the entity s substantial United States owners, which GLPI will in turn provide to the Internal Revenue Service. Prospective investors should consult their tax advisors regarding the possible implications of these rules on their investment in GLPI common stock.

Table of Contents

State, Local and Foreign Taxes

GLPI and its subsidiaries and shareholders may be subject to state, local or foreign taxation in various jurisdictions including those in which GLPI or they transact business, own property or reside. GLPI s state, local or foreign tax treatment and that of its shareholders may not conform to the U.S. federal income tax treatment discussed above. Any foreign taxes that GLPI incurs do not pass through to shareholders as a credit against their U.S. federal income tax liability. Prospective investors should consult their tax advisors regarding the application and effect of state, local and foreign income and other tax laws on an investment in its stock.

This discussion of U.S. federal income tax considerations is not intended to be, and should not be construed as, tax advice. Holders of Pinnacle common stock are urged to consult their independent tax advisors with respect to the application of U.S. federal income tax laws to their particular situations as well as any tax consequences arising under the U.S. federal estate or gift tax rules, or under the laws of any state, local, foreign or other taxing jurisdiction or under any applicable tax treaty.

U.S. Federal Income Tax Considerations Relating to the Distribution

For U.S. federal income tax purposes, the distribution by Pinnacle of the shares of OpCo common stock will not be eligible for treatment as a tax-free distribution. Accordingly, an amount equal to the fair market value of the shares of OpCo common stock received by a stockholder on the distribution date (including any fractional share deemed to be received by and sold on behalf of the stockholder) will be treated as a taxable dividend to the extent of such stockholder s ratable share of any current or accumulated earnings and profits of Pinnacle, with the excess treated first as a non-taxable return of capital to the extent of such shareholder s tax basis in its shares of Pinnacle s common stock and then as capital gain. Pinnacle s earnings and profits generally will be increased by any gain Pinnacle recognizes as a result of the contribution of assets to us and the subsequent distribution. In addition, Pinnacle or other applicable withholding agents may be required or permitted to withhold at the applicable rate on all or a portion of the distribution payable to non-U.S. stockholders, and any such withholding would be satisfied by Pinnacle or the other applicable withholding agent withholding and selling a portion of our shares of common stock otherwise distributable to non-U.S. stockholders. A stockholder s tax basis in its shares of Pinnacle common stock held on the distribution date will be reduced (but not below zero) to the extent the fair market value of our shares received by such stockholder from Pinnacle exceeds such stockholder s ratable share of Pinnacle s current and accumulated earnings and profits. Pinnacle will not be able to advise stockholders of the amount of its earnings and profits until after the end of the 2016 year.

A stockholder s tax basis in shares of OpCo common stock received in the distribution will equal the fair market value of such shares on the distribution date. A stockholder s holding period for such shares will begin the day after the distribution date.

Although Pinnacle will be ascribing a value to shares of OpCo common stock it distributes for tax purposes, this valuation is not binding on the IRS or any other tax authority. These taxing authorities could ascribe a higher valuation to such shares, particularly if such shares trade at prices significantly above the value ascribed to them by Pinnacle in the period following the distribution. Such a higher valuation may cause a larger reduction in the tax basis of a stockholder s shares of Pinnacle common stock or may cause a stockholder to recognize additional dividend or capital gain income.

Stockholders should consult their own tax advisors as to the particular tax consequences of the distribution to them.

Accounting Treatment of the Merger

GLPI prepares its financial statements in accordance with GAAP. The merger will be accounted for by applying the acquisition method of accounting using the accounting guidance for asset acquisitions in ASC 805. When a transaction is deemed an asset acquisition, ASC 805 requires an allocation of the purchase price, including the

Table of Contents

transaction costs associated with the acquisition of assets, to the fair value of the assets acquired. Based on the guidance of ASC 805, GLPI will be the acquirer of Pinnacle for accounting purposes and will allocate the purchase price, including incurred transaction costs, to the fair value of the acquired Pinnacle real estate assets at the acquisition date.

Regulatory Approvals

General

Pinnacle and GLPI have each agreed to use their respective reasonable best efforts to take all actions and to do all things necessary, proper or advisable to obtain all regulatory approvals required to complete the merger and the other transactions contemplated by the merger agreement. The following is a summary of the material regulatory approvals required for completion of the merger and such transactions.

There can be no assurances that all of the regulatory approvals will be obtained and, if obtained, there can be no assurances as to the timing of any approvals, GLPI s and Pinnacle s ability to obtain the approvals on satisfactory terms or the absence of any litigation challenging such approvals. See the section titled Risk Factors. The parties respective obligations to complete the merger are conditioned upon (1) the absence of any outstanding injunction by any court or other tribunal of competent jurisdiction having been entered and continuing to be in effect and the absence of any law having been adopted or being in effect, in each case, that prohibits the consummation of the merger or any of the transactions contemplated thereby and (2) satisfaction of the regulatory approval condition.

Federal Trade Commission

On December 4, 2013, Pinnacle entered into an Agreement Containing Consent Orders (as amended or supplemented and including all related agreements thereto, the Consent Agreement), dated December 4, 2013, with the FTC relating to Pinnacle s acquisition of Ameristar Casinos, Inc. Under the Consent Agreement, Pinnacle must provide the FTC with written notice of the merger 30 days before closing. On July 30, 2015, the notice was submitted to the FTC. Because GLPI is a REIT, no filing with the FTC under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 is required in connection with the merger. On August 10, 2015, the FTC sent a letter to GLPI and Pinnacle requesting that the parties provide on a voluntary basis certain documents and information. On October 29, 2015, the FTC informed GLPI and Pinnacle that it had decided to close its investigation with respect to the merger.

State Gaming Approvals

Pinnacle and GLPI must obtain approvals from jurisdictions in which each operates gaming facilities. Pursuant to the merger agreement, Pinnacle and GLPI will use their respective reasonable best efforts to take all actions and to do all things necessary, proper or advisable to obtain approvals for the transaction from gaming regulatory authorities in the following jurisdictions: (i) Colorado; (ii) Indiana; (iii) Iowa; (iv) Louisiana; (v) Mississippi; (vi) Missouri and (vii) Nevada. The parties have received the approval of each of the Iowa Racing and Gaming Commission and the Mississippi Gaming Commission with respect to the transactions contemplated by the merger agreement, including the merger and the spin-off; applications with each of the other jurisdictions remain pending as of the date of this joint proxy statement/prospectus.

Securities and Exchange Commission

In connection with the share issuance proposal, GLPI must file a registration statement with the SEC under the Exchange Act that is declared effective by the SEC. Separately, pursuant to the Exchange Act, Pinnacle must file a registration statement for the shares of OpCo common stock to be issued to Pinnacle shareholders in connection with the spin-off that is declared effective by the SEC.

Table of Contents

Exchange of Shares

As promptly as reasonably practicable after the effective time of the merger (but no later than the tenth business day after the closing date), the exchange agent will mail to each holder of record of Pinnacle common stock (whose shares were converted into the right to receive the merger consideration pursuant to the merger agreement) a letter of transmittal and instructions for use in effecting the surrender certificates of Pinnacle common stock (Pinnacle stock certificates) and book-entry shares representing the shares of Pinnacle common stock (Pinnacle book-entry shares) in exchange for the merger consideration. Upon receipt of (i) either Pinnacle stock certificates or Pinnacle book-entry shares and (ii) a signed letter of transmittal and such other documents as may be required pursuant to such instructions, the holder of such shares will be entitled to receive the merger consideration in exchange therefor within two business days following the later of (x) the effective time of the merger and (y) the exchange agent s receipt of such certificate. The amount of any merger consideration paid to the shareholders may be reduced by any applicable tax laws.

Treatment of Pinnacle Long-Term Incentive Compensation

Treatment of Pinnacle Stock Options Granted On or Prior to July 16, 2015

At the time of distribution, each Pinnacle stock option, whether vested or unvested, that was granted on or prior to July 16, 2015 and that is outstanding immediately prior to the time of distribution will be converted into two separate stock option awards, Adjusted Pinnacle Option and an OpCo Option.

The number of shares of Pinnacle common stock subject to each Adjusted Pinnacle Option will be equal to the number of shares of Pinnacle common stock underlying the Pinnacle stock option immediately prior to the time of distribution. The per share exercise price of each Adjusted Pinnacle Option will be equal to the product (rounded up to the nearest whole cent) of (i) the per share exercise price of the Pinnacle stock option prior to the time of distribution multiplied by (ii) a fraction, the numerator of which will be Opening Pinnacle Stock Price, and the denominator of which will be the Closing Pinnacle Stock Price.

The number of shares of OpCo common stock subject to each OpCo Option will be equal to the number of shares of Pinnacle common stock subject to the Pinnacle stock option immediately prior to the time of distribution multiplied by the distribution ratio and rounded down to the nearest whole share. The per share exercise price of each OpCo Option will be equal to the product (rounded up to the nearest whole cent) of (i) the per share exercise price of the Pinnacle stock option immediately prior to the time of distribution multiplied by (ii) a fraction, the numerator of which will be the Opening OpCo Stock Price and the denominator of which will be the Closing Pinnacle Stock Price.

Upon completion of the merger, each Adjusted Pinnacle Option, whether vested or unvested, that is outstanding immediately prior to the completion of the merger will become fully vested and will be cancelled and converted into the right to receive a number of shares of GLPI common stock (rounded down to the nearest whole share) having an aggregate value equal to the intrinsic value of the Adjusted Pinnacle Option. Following the distribution, each OpCo Option will continue to vest based on continued service with OpCo and on the same terms and conditions as was applicable to such Pinnacle stock option immediately prior to the distribution.

Treatment of Pinnacle Stock Options Granted After July 16, 2015

At the time of distribution, each Exempt Option will be converted into an Adjusted OpCo Option on the same terms and conditions as were applicable to each such Exempt Option immediately prior to the time of distribution. The number of shares of OpCo common stock subject to each Adjusted OpCo Option will be equal to the product (rounded down to the nearest whole share) of (i) the number of shares of Pinnacle common stock subject to the Exempt Option multiplied by (ii) a fraction, the numerator of which will be the Closing Pinnacle Stock Price and the denominator of which will be the Opening OpCo Stock Price. The per share exercise price of each Adjusted OpCo Option will be equal to the product (rounded up to the nearest whole cent) of (i) the per share exercise price of the Exempt Option immediately prior to the time of distribution multiplied by (ii) a fraction, the numerator of which will be the Opening OpCo Stock Price and the denominator of which will be the Closing Pinnacle Stock Price.

Treatment of Pinnacle RSUs Granted On or Prior to July 16, 2015

At the time of distribution, the holder of each Adjusted Pinnacle RSU will receive one OpCo RSU.

Upon completion of the merger, each Adjusted Pinnacle RSU, whether vested or unvested, that is outstanding immediately prior to the completion of the merger will become fully vested (with any performance-based vesting requirements deemed to be satisfied at the target level of performance) and will be cancelled and converted into the right to receive, in respect of each share of Pinnacle common stock underlying such Adjusted Pinnacle RSU, the number of shares of GLPI common stock (rounded to the nearest whole share) equal to the exchange ratio. Following the distribution, each OpCo RSU will continue to vest based on continued service with OpCo and on the same terms and conditions as was applicable to such Pinnacle restricted stock unit award immediately prior to the distribution.

Treatment of Pinnacle RSUs Granted After July 16, 2015

At the time of distribution, each Exempt RSU will be converted into an Adjusted OpCo RSU on the same terms and conditions as were applicable to each such Exempt RSU prior to the time of distribution. The number of shares of OpCo common stock subject to each Adjusted OpCo RSU will be equal to the product (rounded to the nearest whole share) of (i) the number of shares of Pinnacle common stock subject to the Exempt RSU multiplied by (ii) a fraction, the numerator of which will be the Closing Pinnacle Stock Price and the denominator of which will be the Opening OpCo Stock Price.

Treatment of Pinnacle PUAs Granted On or Prior to July 16, 2015

At the time of distribution, each Pinnacle performance unit, whether vested or unvested, that was granted on or prior to July 16, 2015, and that is outstanding immediately prior to the time of distribution will be converted into two separate performance unit awards, an Adjusted Pinnacle PUA and an OpCo Performance Unit, based on the relative equity value of Pinnacle and OpCo.

The number of Pinnacle cash performance units subject to each Adjusted Pinnacle PUA (rounded to the nearest whole dollar) will be equal to the number of Pinnacle cash performance units outstanding immediately prior to the time of distribution multiplied by a fraction, the numerator of which will be the Opening Pinnacle Stock Price and the denominator of which will be the Closing Pinnacle Stock Price.

The number of OpCo cash performance units subject to each OpCo Performance Unit will be equal to the number of Pinnacle cash performance units subject to the corresponding Pinnacle cash performance unit award outstanding immediately prior to the time of distribution minus the number of Pinnacle performance units subject to the corresponding Adjusted Pinnacle PUA.

Upon completion of the merger, each Adjusted Pinnacle PUA, whether vested or unvested, that is outstanding immediately prior to the completion of the merger will become fully vested (with any performance-based vesting requirements deemed to be satisfied at the target level of performance) and will be cancelled and converted into the right to receive the number of shares of GLPI common stock (rounded to the nearest whole share) equal to the aggregate dollar value of the Adjusted Pinnacle PUA divided by the value of GLPI common stock at the time of the closing. Following the distribution, each OpCo Performance Unit will continue to vest based on continued service with OpCo and on the same terms and conditions as was applicable to such Pinnacle cash performance unit award immediately prior to the distribution.

Treatment of Pinnacle PUAs Granted After July 16, 2015

At the time of distribution, each Exempt PUA will be converted into an OpCo PUA, having the same value as the corresponding Pinnacle cash performance unit, on the same terms and conditions regarding term, vesting (as may be equitably adjusted), and other provisions as were applicable to each such Exempt PUA prior to the time of distribution.

Dividend Policy

In order to qualify to be taxed as a REIT, GLPI is required to annually distribute dividends, other than capital gain dividends, to its shareholders in an amount at least equal to: (1) the sum of (a) 90% of its REIT taxable income, computed without regard to its net capital gains and the deduction for dividends paid; and (b) 90% of its after tax net income, if any, from foreclosure property; minus (2) the excess of the sum of specified items of non-cash income over 5% of its REIT taxable income, computed without regard to its net capital gain and the deduction for dividends paid. GLPI generally must make these distributions in the taxable year to which they relate. At GLPI s election, a dividend distribution is treated as paid in a taxable year if it is declared before GLPI timely files its tax return for that year and if paid with or before the first regular dividend payment after such declaration as long as the payment is made during the 12-month period following the close of that year. These distributions will be treated as received by GLPI s shareholders in the year in which paid.

Pinnacle does not declare or pay cash dividends on its common stock. The indentures governing Pinnacle s senior subordinated notes and credit facility limit the amount of dividends that Pinnacle is permitted to pay.

For additional information on the treatment of dividends under the merger agreement, see The Merger Agreement Conduct of Business.

Agreement with Certain GLPI Shareholders

Pinnacle entered into two separate voting agreements with each of the Carlino Group and Fortress Group, which as of the date of this joint proxy statement/prospectus collectively hold approximately 24.7 million shares of GLPI common stock (approximately 21.3% of the outstanding shares of GLPI common stock). Pursuant to the voting agreements, each of the Carlino Group and Fortress Group has agreed, among other things, to vote all of their shares of GLPI common stock (the subject shares) in favor of the issuance of GLPI common stock to the stockholders of Pinnacle as merger consideration pursuant to the terms of the merger agreement (subject to certain exceptions) and against any action that would prevent, impede, materially delay or materially impair the ability of GLPI or Merger Sub to consummate the merger. The voting agreement with the Carlino Group also restricts transfers of the subject shares held by the Carlino Group (subject to certain exceptions). Likewise, the Voting Agreement with the Fortress Group restricted transfer of the subject shares held by the Fortress Group until November 1, 2015 (subject to certain exceptions).

The Voting Agreements will terminate automatically upon the earlier of (i) termination of the merger agreement in accordance with its terms, (ii) the effective time of the merger; (iii) any adverse recommendation change (as defined below); (iv) the making of certain material changes, amendments, waivers or other modifications to the merger agreement including any such action that increases the amount or changes the form of the consideration to the stockholders of Pinnacle and (v) the end date (as defined in the merger agreement).

Listing of GLPI Common Stock; Delisting of Pinnacle Common Stock

It is a condition to the consummation of the merger that the shares of GLPI common stock to be issued to Pinnacle stockholders in the merger be authorized for listing on NASDAQ, subject to official notice of issuance.

Shares of Pinnacle common stock currently trade on NASDAQ, under the stock symbol PNK . When the merger is completed, the Pinnacle common stock currently listed on NASDAQ will cease to be quoted on NASDAQ and will be deregistered under the Exchange Act.

Table of Contents

No Appraisal/Dissenters   Rights

Under the DGCL, as well as the governing documents of Pinnacle, the stockholders of Pinnacle are not entitled to appraisal rights or dissenters   rights in connection with the merger. Under the PBCL, as well as the governing documents of GLPI, the shareholders of GLPI are not entitled to appraisal rights or dissenters   rights in connection with the share issuance proposal.

Amendment to Pinnacle s Rights Plan

On July 20, 2015, in connection with the execution of the merger agreement, Pinnacle and American Stock Transfer and Trust Company (the   Rights Agent) entered into Amendment No. 1 to the Amended and Restated Rights Agreement between Pinnacle and the Rights Agent dated March 13, 2015. The amendment permits the execution of the merger agreement and the performance and consummation of the transactions contemplated by the merger agreement, including the merger, without triggering the provisions of the Amended and Restated Rights Agreement.

Expected Timing of the Merger

Assuming timely satisfaction of necessary closing conditions, including the approval by our shareholders of the proposal to adopt the merger agreement, GLPI and Pinnacle are endeavoring to consummate the merger in the first calendar quarter of 2016. However, neither GLPI nor Pinnacle can predict the actual date on which the merger will be completed, nor can the parties assure that the merger will be completed, because completion is subject to conditions beyond each company s control.

THE MERGER AGREEMENT

The following describes the material provisions of the merger agreement and certain exhibits thereto, which is included as Annex A to this joint proxy statement/prospectus and incorporated by reference herein. The summary of the material provisions of the merger agreement below and elsewhere in this joint proxy statement/prospectus is qualified in its entirety by reference to the merger agreement. This summary does not purport to be complete and may not contain all of the information about the merger agreement that is important to you. Pinnacle and GLPI encourage you to read carefully the merger agreement in its entirety before making any decisions regarding the transactions as it is the legal document governing the transactions, including the spin-off and the merger.

The merger agreement and this summary of its terms have been included to provide you with information regarding the terms of the merger agreement. GLPI and Pinnacle are responsible for considering whether additional disclosure of material information is required to make the statements in this joint proxy statement/prospectus not misleading. Factual disclosures about GLPI or Pinnacle contained in this joint proxy statement/prospectus or GLPI s or Pinnacle s public reports filed with the SEC may supplement, update or modify the factual disclosures about GLPI or Pinnacle contained in the merger agreement and described in the summary. The representations, warranties and covenants made in the merger agreement by GLPI and Pinnacle are qualified and subject to important limitations agreed to by GLPI and Pinnacle in connection with negotiating the terms of the merger agreement. In particular, in your review of the representations and warranties contained in the merger agreement and described in this summary, it is important to bear in mind that the representations and warranties were made solely for the benefit of the parties to the merger agreement, and were negotiated with the principal purpose of allocating risk between the parties to the merger agreement, rather than establishing matters as facts. The representations and warranties may also be subject to a contractual standard of materiality that may be different from that generally relevant to stockholders or applicable to reports and documents filed with the SEC, and in some cases are qualified by confidential disclosures that were made by each party to the other, which disclosures are not reflected in the merger agreement or otherwise publicly disclosed. The representations and warranties in the merger agreement will not survive the completion of the merger. Moreover, information concerning the subject matter of the representations and warranties may have changed since the date of the merger agreement and subsequent developments or new information qualifying a representation or warranty may have been included or incorporated by reference into this joint proxy statement/prospectus. For the foregoing reasons, the representations, warranties and covenants or any descriptions of those provisions should not be read alone, but instead should be read together with the information provided elsewhere in this joint proxy statement/prospectus and in the documents incorporated by reference into this joint proxy statement/prospectus. See Where You Can Find More Information.

Terms of the Merger; Merger Consideration

The merger agreement provides that, prior to the effective time of the merger, Pinnacle will cause to be effected the separation and distribution pursuant to the terms of the separation and distribution agreement (the separation agreement), and, immediately thereafter, upon the terms and subject to the conditions of the merger agreement, Pinnacle will be merged with and into Merger Sub, whereupon the separate corporate existence of Pinnacle shall cease, and Merger Sub shall continue its existence under the laws of the State of Delaware as the surviving company in the merger. Each share of Pinnacle common stock issued and outstanding immediately prior to the effective time (other than shares of Pinnacle common stock (i) owned or held in treasury by Pinnacle or (ii) owned by GLPI, its subsidiaries or Merger Sub) will be cancelled and converted automatically into the right to receive 0.85 shares of GLPI common stock.

The merger agreement further provides that, prior to the closing of the merger, Pinnacle will provide for (i) the treatment of Pinnacle Options, RSUs and PUAs and (ii) the termination of each Pinnacle equity plan, as such term is defined in the employee matters agreement, with respect to any liability related to retained deferred equity awards. See the section of this joint proxy statement/prospectus entitled The Merger Interests of Certain Pinnacle Persons in the Merger for a detailed description of the treatment of Pinnacle Long-Term Incentive Awards.

GLPI will not issue any fractional shares of GLPI common stock in connection with the merger. Instead, in lieu of any fractional shares of common stock, the exchange agent will issue a cash payment (without interest) in an amount representing the holder s proportionate interest in the net proceeds from the sale by the exchange agent on behalf of all such holders of GLPI common stock that would otherwise be issued.

Completion of the Merger

Unless the parties agree otherwise, the closing of the merger will take place on the fifth business day after all the conditions to closing have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the closing of the merger but subject to the satisfaction of waiver of such conditions). However, if the GLPI marketing period (as described below under Marketing Periods) has not ended at the time of the satisfaction or waiver of all of the conditions to closing (other than those conditions that by their nature are to be satisfied at the closing of the merger provided that such conditions are capable of being satisfied at the closing of the merger), the closing of the merger will not occur until (i) the earlier to occur of (a) a date during the GLPI marketing period specified by GLPI on no less than three business days notice to Pinnacle or, if not specified, on the last day of such GLPI marketing period (subject to certain conditions) and (b) the end date (as described below under Termination of the Merger Agreement), subject to certain conditions; and (ii) that if the Pinnacle marketing period (described below under Marketing Periods) has not ended at the time of the satisfaction or waiver of all of the conditions to the closing (other than those conditions that by their nature are to be satisfied at the closing of the merger provided that such conditions are capable of being satisfied at the closing of the merger), the closing of the merger will not occur until the earlier to occur of (a) a date during the Pinnacle marketing period specified by Pinnacle on no less than three business days notice to GLPI or, if not so specified, on the last day of such Pinnacle marketing period (subject to certain conditions) and (b) the end date, subject to certain conditions.

Concurrently with the closing of the merger, Pinnacle and Merger Sub will cause a certificate of merger to be filed with the Secretary of State of the State of Delaware. The merger will become effective at such time as the certificate of merger has been filed with the Delaware Secretary of State, unless the parties agree to some other, later date and time for the completion of the merger and specify that time in the certificate of merger.

GLPI and Pinnacle have targeted to complete the merger in the first quarter of 2016, subject to receipt of the required stockholder and shareholder approvals, regulatory approvals and the satisfaction or waiver of the other conditions to the merger (described below under Conditions to Completion of the Merger).

Exchange and Payment Procedures

Prior to the effective time of the merger, GLPI will deposit or cause to be deposited with an exchange agent, evidence of GLPI common stock in book-entry form representing the number of shares of GLPI common stock sufficient to deliver the aggregate merger consideration to Pinnacle s stockholders.

As promptly as reasonably practicable after the effective time of the merger (but no later than the tenth business day after the closing date), the exchange agent will mail to each holder of record of Pinnacle common stock (whose shares were converted into the right to receive the merger consideration pursuant to the merger agreement) a letter of transmittal and instructions for use in effecting the surrender of the Pinnacle stock certificates and Pinnacle book-entry shares in exchange for the merger consideration. Upon receipt of (i) either Pinnacle stock certificates or Pinnacle book-entry shares and (ii) a signed letter of transmittal and such other documents as may be required pursuant to such instructions, the holder of such shares will be entitled to receive the merger consideration in exchange therefor within two business days following the later of (x) the effective time of the merger and (y) the exchange agent s receipt of such certificate. The amount of any merger consideration paid to Pinnacle s stockholders may be reduced by any applicable tax laws.

Table of Contents

If any portion of the merger consideration deposited with the exchange agent is not claimed within twelve months following the effective time of the merger, such merger consideration will be returned to GLPI, upon demand, and any holders of Pinnacle common stock who have not complied with the exchange procedures in the merger agreement will thereafter look only to GLPI or Merger Sub (subject to applicable abandoned property, escheat or similar laws) as general creditor for payment of the merger consideration.

The letter of transmittal will include instructions if a Pinnacle stockholder has lost a share certificate or if such certificate has been stolen, mutilated or destroyed. If a Pinnacle stockholder has lost a certificate, or if such certificate has been stolen, mutilated or destroyed, then before such stockholder will be entitled to receive the merger consideration, such shareholder will have to make an affidavit of the loss, theft or destruction and may be required to post a bond in such amount as GLPI or the exchange agent may determine is reasonably necessary as indemnity against any claim that be made with respect to such lost, stolen, mutilated or destroyed certificate.

Representations and Warranties

Pinnacle and GLPI have each made representations and warranties to the other. Pinnacle s representations and warranties relate to, among other topics, the following:

- organization, standing and corporate power, organizational documents and ownership of subsidiaries;
- capital structure;
- corporate authority to enter into the merger agreement and other agreements contemplated by the merger agreement and to consummate the transactions contemplated by the merger agreement, including the merger and the spin-off;
- the absence of conflicts with, or violations of, organizational documents;
- consents and approvals relating to the transactions contemplated by the merger agreement;
- SEC reports and financial statements;
- internal controls and procedures;
- absence of undisclosed liabilities and off-balance-sheet arrangements;
- compliance with applicable laws and permits;

environmental laws and regulations;

employee benefit matters;

absence of certain changes or events;

litigation matters;

accuracy of information supplied or to be supplied in the registration statement and this joint proxy statement/prospectus;

anti-bribery laws and regulations;

tax matters;

owned and leased real property and other assets;

insurance policies;

receipt of an opinion from Pinnacle s financial advisor;

material contracts;

broker s fees payable in connection with the merger;

Table of Contents

- inapplicability or absence of anti-takeover statutes, regulations, or provisions under applicable law or under organizational documents of Pinnacle;
- affiliate transactions;
- Pinnacle s amended rights plan;
- the absence of a vote in connection with the spin-off; and
- Pinnacle s financing arrangements for the merger.

GLPI s representations and warranties relate to, among other topics, the following:

- organization, standing and corporate power, organizational documents and ownership of subsidiaries;
- capital structure;
- corporate authority to enter into the merger agreement and other agreements contemplated by the merger agreement and to consummate the transactions contemplated by the merger agreement;
- consents and approvals relating to the transactions contemplated by the merger agreement;
- SEC reports and financial statements;
- internal controls and procedures;
- absence of undisclosed liabilities and off-balance-sheet arrangements;
- compliance with applicable laws and material contracts;
- absence of certain changes or events;
- litigation matters;

accuracy of information supplied or to be supplied in the registration statement and this joint proxy statement/prospectus;

tax matters;

broker s fees payable in connection with the merger;

absence of ownership of equity interests in certain entities;

voting requirements to approve the merger;

receipt of an opinion from GLPI s financial advisor;

affiliate transactions;

certain actions taken with respect to the tax treatment of the merger;

gaming licenses and approvals; and

GLPI s financing arrangements for the merger.

Certain of the representations and warranties given by Pinnacle and GLPI are qualified as to materiality or material adverse effect. For purposes of the merger agreement, a material adverse effect with respect to Pinnacle means (i) an event, state of facts, circumstance, change, effect, development, occurrence or combination of the foregoing that individually or in the aggregate (a) would reasonably be expected to prevent or materially impede, materially hinder or materially delay the consummation by Pinnacle of the merger or the other transactions contemplated by the merger agreement or (b) has had, or would or would be expected to have, a material adverse effect on the business, financial condition or results of operations of PropCo, other than (with respect to (a) and (b) above) any event, change, effect, development or occurrence to the extent resulting from or arising out of: (1) changes in general economic, financial or other capital market conditions (including prevailing

Table of Contents

interest rates), (2) any changes or developments generally in the industries in which PropCo or any of its subsidiaries are expected to conduct their business from and after the closing date of the merger, (3) the announcement or the existence of, compliance with or performance under, the merger agreement or the transactions contemplated by the merger agreement (subject to certain exceptions), (4) any taking of any action at the request of GLPI or Merger Sub, (5) changes in applicable law, GAAP or accounting standards, (6) outbreak or escalation of hostilities or acts of war or terrorism, (7) any litigation in connection with the transactions and agreements contemplated by the merger agreement, (8) floods, hurricanes, tornados, earthquakes, fires or other natural disasters or (9) failure by Pinnacle to meet any financial projections or forecasts or estimates of revenues, earnings or other financial metrics for any period (provided that this exception will not prevent or otherwise affect a determination that any event, change, effect, development or occurrence underlying such failure has resulted in, or contributed to, a material adverse effect with respect to Pinnacle); except, in each case with respect to clauses (1), (2), (5), (6) and (8), to the extent disproportionately affecting PropCo and its subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which PropCo and its subsidiaries are expected to operate from and after the closing date of the merger.

A material adverse effect with respect to GLPI means an event, state of facts, circumstance, change, effect, development, occurrence or combination of the foregoing that individually or in the aggregate (a) would reasonably be expected to prevent or materially impede, materially hinder or materially delay the consummation of the merger by GLPI or the other transactions contemplated by the merger agreement or (b) has had, or would be expected to have, a material adverse effect on the business, financial condition or results of operations of GLPI and its subsidiaries, taken as a whole, other than any event, change, effect, development or occurrence to the extent resulting from or arising out of: (1) changes in general economic, financial or other capital market conditions (including prevailing interest rates), (2) any changes or developments generally in the industries in which GLPI or any of its subsidiaries conducts its business, (3) the announcement or the existence of, compliance with or performance under, the merger agreement or the transactions contemplated thereby (subject to certain exceptions), (4) any taking of any action at the request of Pinnacle, (5) changes in applicable law, GAAP or accounting standards, (6) outbreak or escalation of hostilities or acts of war or terrorism, (7) any litigation in connection with the transactions and agreements contemplated by the merger agreement, (8) floods, hurricanes, tornados, earthquakes, fires or other natural disasters or (9) failure by GLPI to meet any financial projections or forecasts or estimates of revenues, earnings or other financial metrics for any period (provided that this exception will not prevent or otherwise affect a determination that any event, change, effect, development or occurrence underlying such failure has resulted in, or contributed to, a material adverse effect with respect to GLPI); except, in each case with respect to clauses (1), (2), (5), (6) and (8), to the extent disproportionately affecting GLPI and its subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which GLPI and its subsidiaries operate.

The merger agreement also contains certain representations and warranties of GLPI with respect to its wholly owned subsidiary, Merger Sub, including Merger Sub s corporate organization, authorization and execution of the merger agreement.

Conduct of Business

Under the merger agreement, each of Pinnacle and GLPI has agreed to restrict the conduct of its respective businesses between the date of the merger agreement and the effective time of the merger.

In general, Pinnacle has agreed to use its commercially reasonable efforts to conduct the business of Pinnacle and its subsidiaries in all material respects in the ordinary course of business and preserve intact their present lines of business and maintain their rights, franchises and permits, provided that Pinnacle is restricted with respect to OpCo s business, assets and liabilities solely to the extent that an action taken or not taken by Pinnacle with respect to the

OpCo s business, assets or liabilities would reasonably be expected to adversely affect PropCo or PropCo s business or GLPI as the owner and operator thereof following the effective time of the merger in any material respect, or would reasonably be expected to prevent, impede or materially delay the consummation of the transactions.

Table of Contents

In addition, between the date of the merger agreement and the effective time of the merger, Pinnacle has agreed, on its own behalf and on behalf of its subsidiaries, to various specific restrictions relating to the conduct of their business, including restrictions on the following (subject in each case to certain exceptions, including (i) the exception with respect to the OpCo s business, assets and liabilities described above, (ii) specified in the merger agreement or (iii) previously disclosed in writing to GLPI as provided in the merger agreement):

- amending or restating Pinnacle s organizational documents and permitting any of its subsidiaries to amend or restate their respective organization documents or comparable constituent organizational documents;

- splitting, combining, or reclassifying any of its capital stock or issuing or authorizing the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock;

- authorizing or paying any dividends on or making any distribution with respect to outstanding shares of its capital stock;

- adopting a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization or take any action with respect to any securities owned by such subsidiary that would reasonably be expected to prevent, materially impede or materially delay the consummation of the merger;

- acquiring, or permitting its subsidiaries to acquire, any person or business or make any loans, advances or capital contributions to, or investments in, any other person or entity with a value in excess of $5,000,000 in the aggregate;

- selling, leasing, licensing, transferring, exchanging, swapping or otherwise disposing of or encumbering any properties or assets with a value in excess of $1,000,000 in the aggregate (or permitting its subsidiaries to take any of the foregoing actions);

- authorizing, or permitting its subsidiaries to authorize, any capital expenditures, except for expenditures that would not impose obligations on PropCo to make any such expenditures after the effective time of the merger;

- modifying, amending, terminating or waiving any material rights under a material contract or permit, or entering into a new material contract which would be a material contract outside the ordinary course of business (or permitting its subsidiaries to take any of the foregoing actions);

- making any material change in material accounting policies or procedures or any of its methods of reporting income, deductions or other materials items;

issuing, selling, pledging, disposing of or encumbering or authorizing the issuance, sale, pledge, disposition or encumbrance of any shares of its capital stock ownership interest in Pinnacle or any of its subsidiaries or any securities convertible into or exchangeable for any such shares, ownership interests or convertible or exchange securities, or any awards substantially similar to Pinnacle performance units, or to take any action to cause to be exercisable any otherwise unexcercisable option under any Pinnacle benefit plans (or permitting its subsidiaries to take any of the foregoing actions);

incurring, assuming, guaranteeing or otherwise becoming liable for any indebtedness for borrowed money or any guarantee of such indebtedness (or permitting its subsidiaries to take any of the foregoing actions);

waiving, releasing, assigning, settling or compromising any claim, action or proceeding, other than waivers, releases, assignments, settlements or compromises that do not exceed $250,000 individually or $2,000,000 in the aggregate and do not involve any admission of wrongdoing or equitable relief (or permitting its subsidiaries to take any of the foregoing actions);

changing or revoking any material tax election, changing any material tax accounting method, filing any material amended tax return, entering into any closing agreement, requesting any material tax

Table of Contents

ruling, settling or compromising any material tax proceeding, or surrendering any claim for a material refund of taxes; and

agreeing, in writing or otherwise, to take any of the foregoing actions.

In general, GLPI has agreed to use its commercially reasonable efforts to conduct its business in all material respects in the ordinary course of business and preserve intact its present lines of business and rights, franchises and permits.

In addition, between the date of the merger agreement and the effective time of the merger, GLPI has agreed to various specific restrictions relating to the conduct of its business, including restrictions on the following (subject in each case to certain exceptions specified in the merger agreement or previously disclosed in writing to GLPI as provided in the merger agreement):

amending or proposing to GLPI s shareholder any amendment to GLPI s or Merger Sub s organization documents in any manner that would be reasonably be expected to prevent, materially delay or materially impair the ability of GLPI or Merger Sub to consummate the merger or otherwise be adverse to Pinnacle or the holders of Pinnacle common stock;

declaring setting aside or paying any dividend or other distribution payable in cash, stock or property in respect of the capital stock of GLPI, or subdividing, reclassifying, recapitalizing, splitting, combining or exchanging or entering into any similar transaction with respect to any of the capital stock of GLPI, other than cash dividends in the ordinary course of business consistent with past practice and any dividend, distribution or other transaction that GLPI reasonably determines is required to maintain GLPI s status as a REIT;

purchasing, redeeming or otherwise acquiring any share of GLPI s capital stock, to the extent such action would prevent, materially delay or impair the ability of GLPI or Merger Sub to consummate the merger;

acquiring or agreeing to acquire any business or material amount of assets if such acquisition would reasonably be expected to (i) materially impose any delay in the obtaining of, or materially increase the risk of not obtaining any authorization, consent, order, declaration or approval of any governmental entity, including gaming authority, necessary to consummate the transactions contemplated by the merger agreement, (ii) materially increase the risk of any governmental entity, including gaming authority, entering an order prohibiting the consummation of the transactions contemplated by the merger agreement, (iii) materially increase the risk of not being able to remove any such order on appeal or otherwise or (iv) prevent, materially delay or materially impair the ability of GLPI or Merger Sub to consummate the transactions contemplated by the merger agreement;

incurring, assuming, guaranteeing or otherwise becoming liable for any indebtedness for borrowed money or any guarantee of such indebtedness (other than GLPI s debt financing commitments) except any such incurrence, assumption, guarantee or other liability which would not be reasonably expected to prevent, materially delay or materially impair the ability of GLPI or Merger Sub to consummate the transactions contemplated by the merger agreement;

purchasing, redeeming or otherwise acquiring GLPI s capital stock or any rights, warrants or options to acquire any shares; and

agreeing, in writing or otherwise, to take any of the foregoing actions.

No Solicitation of Alternative Proposals

Pinnacle has agreed that it will, and will cause each of its and its affiliates respective officers, directors and employees, agents, financial advisors, investment bankers, attorneys, accountants or other representatives (collectively, representatives) to, immediately cease any solicitation, knowing encouragement, discussions or negotiations with any persons that may have been ongoing at the time of the parties entered into the merger agreement with respect to a company takeover proposal (defined below), and promptly instruct or otherwise request any person that executed a confidentiality or non-disclosure agreement within the 12-month period prior to July 20, 2015 in connection with any actual or potential company takeover proposal to return or destroy all such confidential information or documents previously furnished in connection therewith or material incorporating any such information in the possession of such person or its representatives and from and after July 20, 2015, until the effective time of the merger or, if earlier, the termination of the merger agreement in accordance its terms, not, directly or indirectly, solicit, initiate or knowingly facilitate or knowingly encourage any inquiries regarding, or the making of any proposal or offer that constitutes, or would reasonably be expected to lead to, a company takeover proposal, engage in, continue or otherwise participate in any substantive discussions or negotiations regarding, or furnish to any other person any nonpublic information in connection with or for the purpose of encouraging or facilitating, a company takeover proposal or approve, recommend or enter into, or propose to approve, recommend or enter into, any letter of intent or similar document, agreement, commitment, or agreement in principle providing for a company takeover proposal.

A company takeover proposal means (i) any inquiry, proposal or offer for or with respect to (or expression by any person that it is considering or may engage in) a merger, consolidation, business combination, recapitalization, binding share exchange, liquidation, dissolution, joint venture or other similar transaction involving Pinnacle or any of its subsidiaries whose assets, taken together, constitute 15% or more of Pinnacle s consolidated assets, (ii) any inquiry, proposal or offer (including tender or exchange offers) to (or expression by any person that it is considering or may seek to) acquire in any manner, directly or indirectly, in one or more transactions, more than 15% of the outstanding common stock of Pinnacle or securities of Pinnacle representing more than 15% of the voting power of Pinnacle or (iii) any inquiry, proposal or offer to (or expression by any person that it is considering or may seek to) acquire in any manner (including the acquisition of stock in any subsidiary of Pinnacle), directly or indirectly, in one or more transactions, assets or businesses of Pinnacle or its subsidiaries, including pursuant to a joint venture, representing more than 15% of the consolidated assets, revenues or net income of Pinnacle, in each case other than the merger.

Nevertheless, the board of directors of Pinnacle will be permitted, prior to Pinnacle s stockholders adoption of the merger agreement proposal, to (i) furnish, subject to a customary confidentiality agreement with provisions no less favorable in the aggregate to Pinnacle than those applicable to GLPI in its confidentiality agreement with Pinnacle, and afford access to the business, properties, assets, employees, officers, contracts, books and records of Pinnacle, to the person making a bona fide, unsolicited written company takeover proposal (and its representatives and potential sources of financing) and (ii) engage in or otherwise participate in discussions and negotiations with respect to a bona fide, unsolicited written company takeover proposal received by Pinnacle, provided that Pinnacle, its affiliates and their respective representatives are not in willful and material breach of the non-solicitation provisions of the merger agreement, Pinnacle s board of directors determines in good faith (after consultation with outside legal counsel and outside financial advisors) that such company takeover proposal constitutes or would reasonably be expected to lead to a company takeover proposal that constitutes a superior proposal (defined below) and that failure to take such action would be reasonably likely to be inconsistent with its fiduciary duties under applicable law, and also provided that Pinnacle must make available to GLPI substantially concurrently with the delivery to such person making a company takeover proposal any nonpublic information concerning Pinnacle or any of its subsidiaries that is provided or made available to such person or its representatives (unless otherwise already made available to GLPI). The merger agreement requires that Pinnacle notify GLPI if any company takeover proposals are presented to Pinnacle. Pinnacle must also keep GLPI reasonably informed on a reasonably current basis as to the status of and material terms and conditions of such company takeover proposal.

A superior proposal means a bona fide, unsolicited written company takeover proposal (i) that if consummated would result in a third party (or in the case of a direct merger between such third party and Pinnacle, the shareholders of such third party) acquiring, directly or indirectly, more than 50.1% of the outstanding shares of Pinnacle common stock or more than 50.1% of the assets or revenues of Pinnacle and its subsidiaries, taken as a whole (ii) that the Pinnacle board of directors determines in good faith, after consultation with its outside financial advisor and outside legal counsel, is reasonably capable of being completed, taking into account all financial, legal, regulatory, timing and other aspects of such proposal, including all conditions contained therein and the person making such company takeover proposal and (iii) that the Pinnacle board of directors determines in good faith after consultation with its outside financial advisor and outside legal counsel (taking into account any changes to this merger agreement proposed by GLPI in response to such company takeover proposal, and all financial, legal, regulatory, timing and other aspects of such company takeover proposal, including all conditions contained therein and the person making such proposal, and this merger agreement), is more favorable to the stockholders of Pinnacle from a financial point of view than the transaction contemplated by the merger agreement.

The merger agreement further prohibits Pinnacle from making any determination under its rights plan that would interfere with GLPI consummating the merger and the other transactions contemplated by the merger agreement. In addition, Pinnacle has agreed that it will not (i) take any action to exempt any person from the restrictions on business combinations contained in §203 of the DGCL or its organizational documents or (ii) terminate (or permit the termination of), waive, amend or exempt any person from the rights plan, except that Pinnacle has the ability to delay a distribution date (as defined in the rights plan) in accordance with the terms of the rights plan in response to a tender offer or exchange offer pursuant to Regulation 14D of the Exchange Act, except that, in no event, will Pinnacle be able to delay the distribution date to a date which is on or after the expiration of such tender offer or exchange offer.

Pinnacle and its subsidiaries have also agreed, subject to certain exceptions, that (i) they will not release any third party from, or waive, amend or modify any provision of, or grant permission under any standstill provision in any agreement to which Pinnacle or any of its subsidiaries is a party or confidentiality provision in any agreement to which Pinnacle or any of its subsidiaries is a party (excluding any waiver under a confidentiality provision that does not, and would not reasonably be likely to, facilitate or encourage a company takeover proposal) and (ii) Pinnacle will, and will cause its subsidiaries to, enforce the confidentiality and standstill provisions of any such agreement.

Change in Board Recommendation

As described above, and subject to the provisions described below, the Pinnacle board of directors has made the recommendation that Pinnacle stockholders vote **FOR** the merger agreement proposal, which recommendation is referred to as the company recommendation. Under the terms of the merger agreement, Pinnacle has agreed that it will not (i) fail to include the company recommendation in this joint proxy/statement prospectus, (ii) change, qualify, withhold, withdraw or modify, or authorize or publicly propose to change, qualify, withhold withdraw or modify, in a manner adverse to GLPI, the company recommendation, (iii) make, or publicly propose to make, any recommendation in connection with a tender offer or exchange offer (other than a customary stop, look and listen communication of the type contemplated by Rule 14d-9(f) of the Exchange Act) or (iv) fail to recommend against a company takeover proposal or fail to reaffirm the company recommendation within five business days after a request by GLPI to do so, subject to certain exceptions (any action described in clauses (i) to (iv) of this paragraph being referred to as an adverse recommendation change). In addition, the Pinnacle board of directors will not authorize, cause or permit Pinnacle or its subsidiaries to enter into any letter of intent, commitment or agreement providing for any company takeover proposal (other than an acceptable confidentiality agreement as described above under No Solicitation of Alternative Proposals).

The Pinnacle board of directors may nonetheless make an adverse recommendation change if Pinnacle is not in willful and material breach of the non-solicitation or company recommendation-related provisions of the merger agreement and, (i) after receiving a bona fide unsolicited written company takeover proposal, the Pinnacle board of directors determines in good faith (after consultation with outside legal counsel and outside financial advisors) that the company takeover proposal constitutes a superior proposal and in light of such company takeover proposal, the failure to take such action would be reasonably likely to be inconsistent with the Pinnacle board of directors fiduciary duties under applicable law; provided that (a) Pinnacle has given GLPI at least three business days prior written notice of its intention to make an adverse recommendation change (which notice shall specify the material terms and conditions of any such superior proposal) and has contemporaneously provided to GLPI a copy of the superior proposal and a copy of any written proposed transaction documents with the person making such superior proposal, (b) Pinnacle has negotiated in good faith with GLPI during such notice period, to the extent GLPI wishes to negotiate in good faith, to enable GLPI to propose revisions to the terms of the merger agreement such that it would cause such superior proposal to no longer constitute a superior proposal, (c) following the end of such notice period, the Pinnacle board of directors must have considered in good faith any revisions to the terms of the merger agreement proposed in writing by GLPI, and must have determined, after consultation with its outside financial advisors and outside legal counsel, that the superior proposal continues to constitute a superior proposal if the revisions proposed by GLPI were to be given effect, and (d) in the event of any change to any material terms of such superior proposal, Pinnacle will, in each case, deliver to GLPI an additional notice consistent with that described in clause (a) above and a new notice period under clause (a) will commence (except that the three business day period notice period referred to in clause (a) above will instead be equal to the longer of (x) two business days and (y) the period remaining under the notice period under clause (a) of this paragraph immediately prior to the delivery of such additional notice under this clause (d)) during which time Pinnacle is required to comply with the requirements of the non-solicitation and company recommendation-related provisions. In addition, the Pinnacle board of directors may make an adverse recommendation change in response to an intervening event (as defined in the merger agreement), subject to certain conditions, including that the Pinnacle board of directors has determined in good faith, after consultation with its outside financial advisors and outside legal counsel, that the failure of the Pinnacle board to make an adverse recommendation change would be inconsistent with the Pinnacle board of directors fiduciary duties under applicable law. Prior to making an adverse recommendation change by the Pinnacle board of directors, GLPI has certain rights under the merger agreement to match the company takeover proposal or intervening event. If the Pinnacle board of directors makes an adverse recommendation change, Pinnacle will nonetheless continue to be obligated to hold its stockholder meeting and submit the proposals described in this joint proxy statement/prospectus to its stockholders.

Financing Efforts

Pinnacle and GLPI have each secured committed financing to consummate the merger, the spin-off and the other transactions contemplated thereby.

Pinnacle s Financing

To provide the debt financing required by Pinnacle to consummate the merger, Pinnacle has entered into two commitment letters, a Bridge Commitment Letter and a Takeout Commitment Letter, which are described below, and will utilize the funding from either the Bridge Commitment Letter or the Takeout Commitment Letter (but not both).

Pursuant to the Pinnacle Bridge Commitment Letter, Pinnacle received commitments for an aggregate principal amount of $1.1 billion in financing, comprised of a $900 million senior secured 364-day term loan bridge facility and a $200 million senior secured 364-day revolving credit facility. The borrower under the Pinnacle Bridge Facility will be OpCo and the obligations of OpCo under the Pinnacle Bridge Facility will be guaranteed by each existing and subsequently acquired or formed direct and indirect domestic wholly-owned subsidiary of OpCo, subject to customary exceptions.

Pursuant to the Pinnacle Takeout Commitment Letter, Pinnacle received commitments for an aggregate principal amount of $585 million in financing, comprised of a (i) $185 million senior secured term loan A facility and (ii) $400 million senior secured revolving credit facility. The lenders under the Pinnacle Takeout Commitment Letter have also agreed to use their commercially reasonable efforts to syndicate a $350 million senior secured term loan B facility, which may, at the election of OpCo, be increased or decreased by up to $125 million in connection with the issuance of senior unsecured notes to finance a portion of the transactions, as further described in the Pinnacle Takeout Commitment Letter. The borrower under the Pinnacle Takeout Facilities will be OpCo and the obligations of OpCo under the Pinnacle Takeout Facilities will be guaranteed by each existing and subsequently acquired or formed direct and indirect domestic wholly-owned subsidiary of OpCo, subject to customary exceptions. As noted in the Pinnacle Takeout Commitment Letter, it is anticipated that OpCo will also issue Pinnacle Notes in an aggregate principal amount of $300 million to provide a portion of the debt financing required by Pinnacle to consummate the transactions. The principal amount of the Pinnacle Notes may, at the election of OpCo, be increased or decreased by up to $125 million, as further described in, and in accordance with the terms of, the Pinnacle Takeout Commitment Letter. Both the issuance of the Pinnacle Notes and the receipt by the Pinnacle Takeout Commitment Parties of commitments from lenders for the Term Loan B Facility, in each case, on or prior to the closing date of the merger, are conditions to the availability of the Pinnacle Takeout Facilities.

Further, the Pinnacle Notes are only contemplated in connection with the Pinnacle Takeout Facilities. At this time, Pinnacle has not yet determined which of the two commitments described above will be utilized to provide the debt financing required to consummate the proposed transactions because such determination will be dependent on future market conditions. However, Pinnacle intends to use the Pinnacle Takeout Facilities if market conditions are favorable at the time of the distribution and not use the Pinnacle Bridge Facility.

The commitment of the Pinnacle Bridge Commitment Parties under the Pinnacle Bridge Commitment Letter and the commitment of the Pinnacle Takeout Commitment Parties under the Pinnacle Takeout Commitment Letter, each expire upon the earliest to occur of (i) 5:00 p.m. (New York City time) on April 30, 2016, unless GLPI elects the end date extension (as defined in the merger agreement) in which case such date shall be extended to 5:00 p.m. (New York City time) on June 30, 2016, (ii) the termination of the merger agreement without the closing of the merger, (iii) the consummation of the merger and the spin-off without the funding of the Pinnacle Bridge Facility the Pinnacle Takeout Facilities, as applicable on the date of such consummation and (iv) the end date.

Senior Secured Credit Facilities

The proceeds of loans under either the Pinnacle Bridge Facility or the Pinnacle Takeout Facilities, as applicable, together with the proceeds from any Pinnacle Notes, as applicable, will be used to pay the OpCo Cash Payment and to pay transaction fees and expenses. Remaining amounts under the Bridge Revolving Credit Facility or the Takeout Revolving Credit Facility, as applicable, will be used for general corporate purposes of OpCo, including, without limitation, permitted acquisitions or dividends. Loans under the Bridge Revolving Credit Facility or the Takeout Revolving Credit Facility, as applicable, may be repaid and reborrowed from time to time.

Interest Rate

The interest rate per annum applicable to loans under the Pinnacle Bridge Facility are, at the borrower s option, equal to either a base rate or a LIBOR rate plus an applicable margin, which for the initial three-month period following the closing date, will be 1.25% or 2.25%, respectively. Unless the loans under the Pinnacle Bridge Facility are repaid in full and the commitments under the Bridge Revolving Credit Facility are terminated in full within three months following the closing date, the applicable margin will increase by 0.50% at the end of such three-month period and will increase by an additional 0.50% at the end of each of the two succeeding three-month periods thereafter to the extent such loans and commitments remain outstanding at such dates.

The interest rate per annum applicable to loans under the Pinnacle Takeout Facilities are, at the borrower s option, equal to either a base rate or a LIBOR rate plus an applicable margin, which for the initial three-month period following the closing date, will, for the Term Loan A Facility and the Takeout Revolving Credit Facility, be 1.00% or

2.00%, respectively, and thereafter at such rates based on the leverage ratio of OpCo. The interest rates for the Term Loan B Facility will be determined by J.P. Morgan Securities LLC and OpCo based upon syndication of the Term Loan B Facility.

Table of Contents

Amortization and Prepayments

The Pinnacle Bridge Facility will not be subject to interim amortization. The Pinnacle Bridge Facility is subject to mandatory prepayment to the extent of net cash proceeds from certain asset sales, certain casualty and condemnation events and from the issuance or incurrence of certain debt for borrowed money. OpCo may prepay all or any portion of the loans under the Pinnacle Bridge Facility prior to maturity without premium or penalty, subject to reimbursement of any LIBOR breakage costs of the lenders.

The outstanding principal amount of the Term Loan A Facility will be payable in equal quarterly amounts equal to (i) 5% per annum of the outstanding amount of the Term Loan A Facility on the closing date, in the first two years following the closing date, (ii) 7.5% per annum of the outstanding amount of the Term Loan A Facility on the closing date, in the third year following the closing date and (iii) 10% per annum of the outstanding amount of the Term Loan A Facility on the closing date, in the fourth and fifth year following the closing date, with the remaining balance due at the maturity of the Term Loan A Facility. The Term Loan B Facility will be subject to quarterly amortization of one-quarter percent (0.25%) of the original principal amount of the Term Loan B Facility. The Pinnacle Takeout Facilities are subject to mandatory prepayment based on (x)(a) 50% of excess cash flow if OpCo s consolidated total net leverage ratio equals or exceeds 3.00 to 1.00, (b) 25% of excess cash flow if OpCo s consolidated total net leverage ratio is less than 3.00 to 1.00 and equals or exceeds 2.50 to 1.00 and (c) 0% of excess cash flow if OpCo s consolidated total net leverage ratio is less than 2.50 to 1.00 and (y) the extent of net cash proceeds from certain asset sales, certain casualty and condemnation events and from the issuance or incurrence of certain debt for borrowed money. OpCo may prepay all or any portion of the loans under the Pinnacle Takeout Facilities prior to maturity without premium or penalty, subject to reimbursement of any LIBOR breakage costs of the lenders; *provided* that, there shall be a prepayment premium of 1% of the principal amount of the affected loans in connection with certain repricing transactions of the Term Loan B Facility occurring within six months (or such longer period as OpCo may agree) of the closing date.

Conditions to Availability

The availability of the Pinnacle Bridge Facility is subject, among other things, to:

- consummation of the spin-off substantially concurrently with the initial funding of the Pinnacle Bridge Facility in accordance with the Separation and Distribution Agreement, without any amendment or modification thereto which is materially adverse to the interests of the Pinnacle Bridge Lenders, unless approved by the Pinnacle Bridge Commitment Parties (such approval not to be unreasonably withheld or delayed);

- execution and delivery by the borrower, and the other loan parties and the Pinnacle Bridge Lenders of definitive documentation with respect to the Pinnacle Bridge Facility consistent with the Pinnacle Bridge Commitment Letter;

- effectiveness of the master lease without any amendment or modification thereto which is materially adverse to the Pinnacle Bridge Lenders, unless approved by the Pinnacle Bridge Commitment Parties (such approval not to be unreasonably withheld or delayed);

solvency of the borrower and its subsidiaries, on a consolidated basis, after giving effect to the consummation of the transactions;

delivery of financial statements regarding Pinnacle and its subsidiaries;

delivery of pro forma financials of the borrower and its subsidiaries;

delivery of all know your customer information required by regulatory authorities and requested by the Pinnacle Bridge Lenders regarding the borrower and the guarantors;

the accuracy of certain limited representations and warranties; and

the closing date not occurring prior to November 20, 2015.

The availability of the Pinnacle Takeout Facilities are subject, among other things, to:

- consummation of the spin-off substantially concurrently with the initial funding of the Pinnacle Takeout Facilities in accordance with the Separation and Distribution Agreement, without any amendment or modification thereto which is materially adverse to the interests of the lenders under the Pinnacle Takeout Facilities (the Pinnacle Takeout Lenders), unless approved by the Pinnacle Takeout Commitment Parties (such approval not to be unreasonably withheld or delayed);

- execution and delivery by the borrower, and the other loan parties and the Pinnacle Takeout Lenders of definitive documentation with respect to the Pinnacle Takeout Facilities consistent with the Pinnacle Takeout Commitment Letter;

- effectiveness of the master lease without any amendment or modification thereto which is materially adverse to the Pinnacle Takeout Lenders, unless approved by the Pinnacle Takeout Commitment Parties (such approval not to be unreasonably withheld or delayed);

- solvency of the borrower and its subsidiaries, on a consolidated basis, after giving effect to the consummation of the transactions;

- delivery of financial statements regarding Pinnacle and its subsidiaries;

- delivery of pro forma financials of the borrower and its subsidiaries;

- issuance of the Pinnacle Notes in an aggregate gross principal amount of $300 million and receipt of $350 million in aggregate principal amount of commitments from lenders for the Term Loan B Facility; *provided* that, OpCo may, in its sole discretion, increase or decrease the Term Loan B Facility by up to $125 million and increase or decrease the Pinnacle Notes by up to $125 million, so long as after giving effect to such increases and/or decreases the aggregate amount of the Pinnacle Notes and Term Loan B Facility are equal to at least $575 million and do not exceed $650 million;

- delivery of all know your customer information required by regulatory authorities and requested by the Pinnacle Lenders regarding the borrower and the guarantors;

- the accuracy of certain limited representations and warranties; and

- the closing date not occurring prior to November 20, 2015.

If any portion of the Pinnacle Bridge Facility becomes or would reasonably be expected to become unavailable on the terms and conditions contemplated by the Pinnacle Bridge Commitment Letter (other than as a result of the Pinnacle Takeout Facilities), the merger agreement requires Pinnacle to promptly notify GLPI thereof and use its reasonable best efforts to arrange and obtain alternative financing from alternative sources on terms and conditions not less favorable to Pinnacle than the Pinnacle Bridge Commitment Letter, in an amount sufficient to make the OpCo Cash Payment at closing and otherwise on terms not materially less beneficial to Pinnacle.

Certain Covenants and Events of Default

The Pinnacle Bridge Facility will contain customary negative covenants that, among other things, restrict, subject to certain exceptions, the ability of the borrower and the restricted subsidiaries, to grant liens on their assets, incur indebtedness, sell assets, make investments, engage in acquisitions, mergers or consolidations and pay dividends and other restricted payments. In addition, the Pinnacle Bridge Facility will contain a maximum leverage ratio at a level to be agreed and to be measured on a quarterly basis. The Pinnacle Bridge Facility will also contain certain customary affirmative covenants and events of default, which events of default will include the occurrence of a change of control and termination of the master lease and certain events of default under the master lease.

The Pinnacle Takeout Facilities will contain customary negative covenants that, among other things, restrict, subject to certain exceptions, the ability of the borrower and the restricted subsidiaries, to grant liens on their assets, incur indebtedness, sell assets, make investments, engage in acquisitions, mergers or consolidations and pay dividends and other restricted payments. In addition, the Pinnacle Takeout Facilities will contain (a) a maximum senior secured net debt ratio of (i) 3.00 to 1.00 for the period from the first full fiscal quarter ending after the closing date through September 30, 2016; (ii) 2.75 to 1.00 from the fiscal quarter ending December 31, 2016 through the fiscal quarter ending March 31, 2017; and (iii) 2.50 to 1.00 thereafter, (b) a maximum consolidated total net leverage ratio of (i) 4.50 to 1.00 for the period from the first full fiscal quarter ending after the closing date through September 30, 2016; (ii) 4.25 to 1.00 from the fiscal quarter ending December 31, 2016 through the fiscal quarter ending March 31, 2017; (iii) 4.00 to 1.00 from the fiscal quarter ending June 30, 2017 through the fiscal quarter ending September 30, 2017; and (iv) 3.75 to 1.00 thereafter and (c) a minimum interest coverage ratio of 2.50 to 1.00, in each case, to be measured on a quarterly basis. The Pinnacle Takeout Facilities will also contain certain customary affirmative covenants and events of default, which events of default will include the occurrence of a change of control and termination of the master lease and certain events of default under the master lease.

The foregoing summarizes certain of the expected terms of the Pinnacle Bridge Facility and the Pinnacle Takeout Facilities; however, the foregoing summary does not purport to be complete, and certain terms of the Pinnacle Bridge Facility and the Pinnacle Takeout Facilities have not yet been finalized.

GLPI s Financing

GLPI has entered into the GLPI Commitment Letter with the GLPI Commitment Parties to provide debt financing in connection with the transactions. Pursuant to the GLPI Commitment Letter, the GLPI Commitment Parties have committed to provide the GLPI Bridge Facility.

The commitment of the GLPI Commitment Parties under the GLPI Commitment Letter expires upon the earliest to occur of (i) 11:59 p.m. (New York City time) on March 31, 2016, unless GLPI elects the end date extension (as defined in the merger agreement) in which case such date shall be extended to 11:59 p.m. (New York City time) on June 30, 2016, (ii) the closing of the merger either (a) without the use of the GLPI Bridge Facility or (b) if the GLPI Bridge Facility is intended to be used, the execution of the definitive credit documentation and the funding of the loans thereunder, (iii) the termination of the merger agreement in accordance with its terms and (iv) as to the portion of the commitments to be reduced on certain automatic reduction events, upon such events.

In connection with the transactions, GLP Capital has entered into the Credit Agreement Amendment. The Credit Agreement Amendment provides the GLPI Limited Conditionality Incremental Term Facility. The Credit Agreement Amendment also provides for the GLPI Limited Conditionality Revolver.

Use of Proceeds

The proceeds of loans under the GLPI Bridge Facility, the GLPI Limited Conditionality Incremental Term Facility and the GLPI Limited Conditionality Revolver will be used to finance a portion of the costs related to the merger and the repayment or redemption of certain existing indebtedness of the acquired business.

Interest Rate

The interest rate per annum applicable to loans under the GLPI Bridge Facility are equal to three-month LIBOR rate plus 1.75%. Unless the loans under the GLPI Bridge Facility are repaid in full within three months following the closing date, the applicable margin will increase by 0.25% at the end of such three-month period and will increase by an additional 0.25% at the end of each of the two succeeding three-month periods thereafter to the extent such loans remain outstanding at such dates. The interest rate per annum applicable to loans under the GLPI Limited

Conditionality Incremental Term Facility will be, at the borrower s option, equal to either a base rate or a LIBOR rate plus an applicable margin ranging from LIBOR plus 1.00% to 2.00% or base rate plus 0.00% to 1.00% based on a ratings-based pricing grid.

Amortization and Prepayments

The GLPI Bridge Facility and the GLPI Limited Conditionality Incremental Term Facility will not be subject to amortization. The GLPI Bridge Facility is subject to mandatory prepayment to the extent of net proceeds of certain debt for borrowed money and equity issuances. The borrower may prepay all or any portion of the loans under the GLPI Bridge Facility, the GLPI Limited Conditionality Incremental Term Facility and the GLPI Limited Conditionality Revolver prior to maturity without premium or penalty, subject to reimbursement of any LIBOR breakage costs of the lenders.

Conditions to Availability

The availability of the GLPI Bridge Facility, the GLPI Limited Conditionality Incremental Term Facility and the GLPI Limited Conditionality Revolver is subject to, among other things, to:

- subject to certain disclosures, since January 1, 2015, through the date of the merger agreement that there has not been any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have, individually or in the aggregate, a material adverse effect with respect to Pinnacle. Since the date of the merger agreement, there has not been any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect with respect to Pinnacle;

- consummation of the acquisition with or substantially concurrently with the initial borrowing under the relevant facility in accordance with the terms of the merger agreement, without any amendments modifications or waivers or consents of GLPI that are materially adverse to the interests of the relevant lenders, unless approved by the arrangers of the relevant facility (such approval not to be unreasonably withheld, conditioned or delayed);

- subject to the certain funds provisions, execution and delivery by the borrower and the other loan parties of definitive documentation with respect to the GLPI Bridge Facility consistent with the GLPI Commitment Letter;

- solvency of GLPI and its subsidiaries, on a consolidated basis, after giving effect to the consummation of the transactions;

- delivery of financial statements regarding GLPI and the acquired business;

- delivery of pro forma financials in customary form for inclusion in an information memorandum;

delivery of all know your customer information required by regulatory authorities and requested by the lenders thereunder;

the accuracy of certain limited representations and warranties; and

the repayment or redemption of certain existing debt of the acquired business shall have been or substantially concurrently with the initial funding of the relevant facility shall be consummated or arrangements for such repayment or redemption shall have been established substantially concurrently with the initial funding of the relevant facility.

Certain Covenants and Events of Default

The GLPI Bridge Facility will contain customary affirmative and negative covenants and events of default consistent with those in GLPI s existing credit agreement. The GLPI Limited Conditionality Incremental Term Facility and the GLPI Limited Conditionality Revolver contain the affirmative and negative covenants and events of default in GLPI s existing credit agreement.

Table of Contents

Marketing Periods

The GLPI marketing period is the first period of twenty consecutive days throughout and at the end of which (a) GLPI and its financing sources have had access to certain required information and such information continues to be compliant during such period (subject to certain exceptions) and (b) nothing shall have occurred and no condition exists that would cause any of the conditions to closing to fail to be satisfied, assuming the closing to the merger were to be scheduled for any time during such twenty consecutive day period (other than conditions to closing that (i) relate to the shareholder approval, which must be satisfied five business days prior to the end of the GLPI marketing period and (ii) conditions to closing that by their nature will not be satisfied until the closing of the merger). However, if the GLPI marketing period has not ended prior to December 19, 2015, it will be deemed not to have commenced until after January 3, 2016. Additionally, the GLPI marketing period will not (a) consider November 26, 2015 and November 27, 2015 as days; any period that includes such dates will not be deemed consecutive and (b) end later than the end date (and, in any event, on any date when the amount of the parent debt financing to be funded on the closing date has been funded).

The Pinnacle marketing period is the first period of twenty consecutive days throughout and at the end of which nothing shall have occurred and no condition exists that would cause any of the conditions to closing to fail to be satisfied, assuming the closing to the merger were to be scheduled for any time during such twenty consecutive day period (other than conditions to closing that (i) related to the shareholder approval, which must be satisfied five business days prior to the end of the Pinnacle marketing period and (ii) conditions to closing that by their nature will not be satisfied until the closing of the merger (provided that such conditions are reasonably capable of being satisfied)). However, if the Pinnacle marketing period has not ended prior to December 19, 2015, it will be deemed not to have commenced until after January 3, 2016. Additionally, the Pinnacle marketing period will not (a) consider November 26, 2015 and November 27, 2015 as days; any period that includes such dates will not be deemed consecutive and (b) end later than the end date (and, in any event, on any date when the amount of the company debt financing to be funded on the closing date has been funded).

Efforts to Close the Merger

Pinnacle, GLPI and Merger Sub have agreed to use their reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under any applicable laws to consummate and make effective the merger, including:

- preparation and filing of all forms, registrations and notices required to be filed to consummate the merger including the prompt filing by Pinnacle of the notice required by the FTC;
- preparation of any financial information required by any gaming authority or governmental entity pursuant to applicable antitrust laws;
- satisfaction of the conditions to consummating the merger;
- defense of any lawsuits or other legal proceedings, whether judicial or administrative, challenging the merger agreement or the consummation of the transactions contemplated by the merger agreement, including

seeking to have any stay or temporary restraining order entered by any court or other governmental entity vacated or reversed;

take all reasonable actions necessary to obtain (and cooperating with each other in obtaining) any consent, authorization, order or approval of, or any exemption by, or to avoid an investigation, action proceeding or other challenge of the legality of the transactions by any governmental entity required to be obtained or made by GLPI, Merger Sub, Pinnacle or any of their respective subsidiaries or the taking of any action contemplated by the merger agreement (each a governmental approval and collectively, the governmental approvals);

transfer of any permits issued by any governmental entity as may be required as a result of the merger agreement;

obtain third party consents or approvals under certain leases to be transferred to GLPI, pursuant to the separation agreement (provided that Pinnacle will not be not required to pay any fees, costs or expenses in order to obtain such consents or approvals that are not expressly required by the terms of such leases); and

execution and delivery of any additional instruments necessary to consummate the merger and to fully carry out the purposes of the merger agreement.

Additionally, the parties have agreed not take any action that would reasonably be expected to materially delay the obtaining of, or result in not obtaining, any governmental approval necessary to be obtained prior to the closing of the merger. If necessary to obtain a governmental approval, GLPI shall propose amendments to the master lease, and if the applicable governmental entity agrees that such proposed amendments would permit such approval to be granted, (i) Pinnacle will agree to all such amendments that would not reasonably be expected to be detrimental to Pinnacle and (ii) if any of such amendments would reasonably be expected to be detrimental to Pinnacle, Pinnacle will agree to such amendments as would not reasonably be expected to be detrimental to Pinnacle and Pinnacle and GLPI will negotiate in good faith with respect to compensation to Pinnacle for and to the extent of any such detriment (which, for the avoidance of doubt, shall be determined net of any benefit to Pinnacle resulting from amendments pursuant to this sentence which are beneficial to Pinnacle). Moreover, the parties have agreed, among other things, to take certain divestiture actions in order to obtain regulatory approvals, provided that (i) GLPI is not obligated to take any divestiture action (x) that obligates it to make any capital improvements at its properties or the properties to be transferred to GLPI, or (y) to the extent such divestiture action, individually or in the aggregate, would reasonably be expected to result in a regulatory material adverse effect and (ii) Pinnacle, subject to certain exceptions, is not required (x) to sell, divest, dispose of, hold separate or otherwise limit its freedom of action with respect to any asset to be retained by OpCo, (y) retain any asset or liability to be transferred to Pinnacle pursuant to the separation agreement unless (1) such retention would not reasonably be expected to prevent, impede or materially delay the closing of the merger, (2) in the case of a PropCo asset, GLPI agrees that Pinnacle may retain such asset for no consideration or cost to Pinnacle or OpCo and (3) in the case of a Pinnacle liability, GLPI agrees to fully reimburse and indemnify Pinnacle or OpCo, as applicable, against such liability, with the form and substance of the agreements referenced in each of the preceding clauses (2) and (3) to be reasonably satisfactory to Pinnacle in its good faith determination or (z) to amend the master lease agreement, in each case in order to obtain any governmental approval.

Pinnacle and GLPI have agreed to work cooperatively to obtain all approvals required to be obtained to consummate the merger and to keep each other apprised of the status of such matters, including consulting with each other, providing any necessary information with respect to all filings made by such party, informing each other (and furnishing copies of) communications from any governmental entity regarding the merger, and permitting the other party to review and discuss in advance, and consider in good faith the views of the other party in connection with any proposed communication with such governmental entity. Neither party will participate in any substantive meeting or teleconference with any governmental entity in connection with the merger unless it consults with the other party in advance and, to the extent permitted by such governmental entity and applicable law, gives the other party the opportunity to attend and participate thereat. Each party will furnish the other party with copies of all correspondence, filings and communications between it and any such governmental entity or third party with respect to merger, and furnish the other party with such necessary information and reasonable assistance as the other party may reasonably request in connection with its preparation of necessary filings or submissions of information to any such governmental entity (subject to certain exceptions).

The parties agreed to prepare and submit applications to gaming authorities, as necessary, as promptly as practicable following the date of the agreement and in any event no later than September 3, 2015. Pinnacle and GLPI will cooperate in good faith to develop a joint strategy for obtaining the necessary approvals, with Pinnacle entitled to take primary control and lead the strategy for approvals primarily relating to the operations of the

OpCo business following the effective time of the merger and GLPI entitled to take primary control and lead the strategy for approvals primarily relating to the ownership of the Pinnacle business, provided that the parties, in good faith, take into consideration the other s view regarding the strategies that it is entitled to lead and primarily control including advance notice, discussion and consideration of any suggestions or comments of the other party, prior to any material interaction with any governmental entity in connection with a governmental approval.

Efforts to Hold the Pinnacle and GLPI Special Meetings

Subject to its rights in certain circumstances to postpone or adjourn the Pinnacle stockholder meeting, Pinnacle has agreed to hold a meeting of its stockholders as promptly as reasonably practicable for the purpose of obtaining its stockholders adoption of the merger agreement proposal and approval of the compensation proposal. Pinnacle must use its reasonable best efforts to obtain such stockholder approvals. Under the merger agreement, Pinnacle has agreed to submit these proposals to a stockholder vote even if the Pinnacle board of directors has made an adverse recommendation change (as described above under Change in Board Recommendation).

Subject to its rights in certain circumstances to postpone or adjourn the GLPI shareholder meeting, GLPI has agreed to hold a meeting of its shareholders as promptly as reasonably practicable for the purpose of obtaining GLPI shareholder approval of the share issuance proposal. GLPI will use its reasonable best efforts to obtain such shareholder approval.

Pinnacle and GLPI will use their respective best reasonable efforts to hold their respective meetings on the same date and at the same time.

Indemnification and Insurance

GLPI and Merger Sub have agreed that all rights to exculpation, indemnification and advancement of expenses or omissions occurring at or prior to the effective time of the merger (whether asserted before or after the effective time), now existing in favor of current or former directors, officers, employees of Pinnacle or its subsidiaries as provided in their respective organizational documents will survive the merger and continue to be in full force and effect. The surviving company will (and GLPI will cause the surviving company to) indemnify and hold harmless (and advance funds in respect thereof) each current and former director, officer or employee of Pinnacle and each person who served as a director, officer, member, trustee or fiduciary of another corporation, partnership, joint venture, trust, pension or other employee benefit plan or enterprise if such service was at the request or for the benefit of Pinnacle each case against any costs or expenses (subject to certain conditions) arising out of, relating to or in connection with any action or omission by them in their official capacities occurring or alleged to have occurred whether commenced before or after the closing of the merger. The surviving company will (and GLPI will cause the surviving company to), for a period of six years from the closing of the merger, maintain in effect (to the fullest extent permitted under applicable law) any and all exculpation, indemnification and advancement of expenses provisions of Pinnacle s certificate of incorporation and bylaws or similar organizational documents in effect immediately prior to the closing of the merger or in indemnification agreements of Pinnacle with their respective current or former directors, officers or employees in effect immediately prior to the closing of the merger, and may not amend, repeal or otherwise modify any such provisions or the exculpation, indemnification or advancement of expenses provisions of the surviving company s organizational documents in any manner that would adversely affect the rights thereunder of any individuals who immediately before the closing of the merger were current or former directors, officers or employees of Pinnacle (subject to certain conditions).

The merger agreement also provides that, prior to the effective time of the merger, Pinnacle (with GLPI s consent) or GLPI, at GLPI s cost, may purchase a six year tail prepaid policy on the same terms and conditions as GLPI would be required to cause the surviving company and its subsidiaries to purchase as discussed below. Pinnacle s ability to purchase a tail policy is subject to a cap on the premium equal to 300% of the aggregate annual premiums currently paid by Pinnacle for its existing directors and officers liability insurance and

148

Table of Contents

fiduciary insurance as of the date of the merger agreement. If such a tail policy is not purchased prior to the effective time, for at least six years after the effective time, GLPI will maintain coverage currently provided by the policies of directors and officers liability insurance and fiduciary liability insurance by Pinnacle or provide substitute policies for Pinnacle and its current and former directors and officers who are currently covered by the directors and officers liability insurance and fiduciary liability insurance coverage currently in effect, in either case, of not less than the existing coverage and have other terms not less favorable to the insured persons than the directors and officers liability insurance and fiduciary liability insurance coverage with respect to matters existing or arising prior to the closing of the merger (subject to a cap on the premium equal to 300% of the aggregate annual premiums currently paid by Pinnacle).

Other Covenants and Agreements

The merger agreement contains certain other covenants and agreements, including covenants relating to:

- cooperation between Pinnacle and GLPI in the preparation of this joint proxy statement/prospectus;
- confidentiality and access by each party to certain information about the other party during the period prior to the effective time of the merger;
- participation by GLPI in the defense or settlement of any shareholder litigation against Pinnacle relating to the merger;
- actions to be taken or not to be taken for the merger to qualify as a reorganization under the Code;
- certain asset sales to affiliates of GLPI pursuant to REIT requirements under the Code prior to the effective time of the merger;
- cooperation between Pinnacle and GLPI in connection with public announcements;
- the listing of GLPI shares to be issued in the merger on NASDAQ;
- certain notifications;
- requirements of Section 16(a) of the Exchange Act;
- the distribution and the spin-off;

obligations of GLPI to cause Merger Sub to perform its obligations under the merger agreement; and

preparation and finalization of certain disclosure schedules to the master lease agreement.

Conditions to Completion of the Merger

The obligations of Pinnacle and GLPI to complete the merger are subject to the fulfillment or waiver (to the extent permissible under applicable laws) of the following mutual conditions:

adoption of the merger agreement proposal by Pinnacle s stockholders and approval of the share issuance proposal by GLPI shareholders;

absence of an injunction having been entered by any court or other tribunal of competent jurisdiction and continuing to be in effect and any law having been adopted or effective, in each case, prohibiting the consummation of the merger or the other related transactions, including the spin-off;

the registration statement on Form S-4 filed by GLPI in connection with the share issuance having been declared effective by the SEC and no stop order suspending the effectiveness of such Form S-4 having been issued by the SEC and no proceedings for that purpose have been initiated or threatened by the SEC;

GLPI common stock issued in the merger having been approved for listing on NASDAQ, subject to official notice of issuance;

Table of Contents

all requisite gaming approvals having been obtained from the relevant gaming authorities and such approvals being in full force and effect;

OpCo s Form 10 (File No. 001-37666) and any related documents filed in connection with the spin-off having become effective under the Exchange Act, and are not the subject of any stop order or proceedings seeking a stop order and no proceedings for that purpose having been initiated or overtly threatened by the SEC and not concluded or withdrawn;

the distribution having been completed in accordance with the separation and distribution agreement, master lease agreement, tax matters agreement and employee matters agreement; and

satisfaction of the regulatory approval condition.

The obligation of Pinnacle to effect the merger and the spin-off is also subject to the fulfillment or waiver by Pinnacle of the following additional conditions:

the accuracy of the representations and warranties of GLPI and Merger Sub set forth in the merger agreement, subject to the materiality standards set forth in the merger agreement, as of the date of the merger agreement and as of the closing date of the merger (except to the extent such representations and warranties are expressly made as of a specific date, in which case such representations and warranties will be true and correct as of such specific date only), and Pinnacle s receipt of an officer s certificate from GLPI to such effect;

performance of all obligations required to be performed under the merger agreement by GLPI and compliance with all covenants required to be complied with under the merger agreement by GLPI and Merger Sub in all material respects prior to the effective time of the merger (and the receipt of an officer s certificate from GLPI to such effect);

the absence, since the date of the merger agreement, of any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect with respect to GLPI (and the receipt of an officer s certificate from GLPI to such effect);

the receipt by Pinnacle of a written tax opinion from Skadden to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code; and

the receipt by Pinnacle of a written tax opinion of KPMG LLP to the effect that commencing with GLPI s taxable year ended December 31, 2014, GLPI has been organized and operated in conformity with the requirements for qualification as a REIT under the tax code and its proposed method of operation will enable it to continue to meet the requirements for qualification and taxation as a REIT under the Code thereafter.

The obligation of GLPI and Merger Sub to effect the merger is also subject to the fulfillment or waiver by GLPI of the following additional conditions:

the accuracy of the representations and warranties of Pinnacle set forth in the merger agreement, subject to the materiality standards set forth in the merger agreement, as of the date of the merger agreement and as of the closing date of the merger (except to the extent such representations and warranties are expressly made as of a specific date, in which case such representations and warranties will be true and correct as of such specific date only), and GLPI s receipt of an officer s certificate from Pinnacle to such effect:

performance of all obligations required to be performed under the merger agreement by Pinnacle and compliance with all covenants required to be complied with under the merger agreement by Pinnacle in all material respects prior to the effective time of the merger (and the receipt of an officer s certificate from Pinnacle to such effect);

Table of Contents

- the absence of any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect with respect to Pinnacle (and the receipt of an officer s certificate from Pinnacle to such effect); and

- the receipt by GLPI of a written tax opinion from Wachtell Lipton to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code.

Neither GLPI nor Pinnacle can be certain when, or if, the conditions to the merger will be satisfied or waived, or that the merger will be completed as further discussed under the section titled Risk Factors.

Termination of the Merger Agreement

Pinnacle and GLPI may mutually agree to terminate the merger agreement before completing the merger, even after adoption of the merger agreement proposal by Pinnacle s stockholders and approval of the share issuance proposal by GLPI s shareholders.

In addition, either GLPI or Pinnacle may decide to terminate the merger agreement if:

- subject to certain exceptions, the merger is not consummated by March 31, 2016, subject to one three-month extension by GLPI to June 30, 2016, at the election of GLPI, if the only conditions not satisfied at such time relate to regulatory and other government approvals (such date, as may be extended, the end date);

- an injunction is entered permanently restraining, enjoining or otherwise prohibiting the consummation of the merger and such injunction shall have become final and nonappealable (provided that the right to terminate will not be available to a party if the injunction was due to the failure of the party to perform any of its obligations under the merger agreement);

- the Pinnacle special meeting has concluded without adoption of the merger agreement proposal by Pinnacle s stockholders or if the GLPI special meeting has concluded without approval of GLPI s shareholders of the share issuance proposal; or

- there has been a breach of the merger agreement by the other party or there has been a failure to perform any of its representations, warranties, covenants or agreements contained in the merger agreement, which breach or failure to perform, (i) if it occurred or was continuing to occur on the closing date, would result in a failure of a condition to close by such breaching party and (2) is incapable of being cured during the time period set forth in the merger agreement or, if curable, is not cured during the applicable cure period (subject to certain conditions).

GLPI may also terminate the merger agreement if, prior to the adoption of the merger agreement by Pinnacle s stockholders, the Pinnacle board of directors makes an adverse recommendation change.

Expenses and Termination Fees Relating to the Termination of the Merger Agreement

Except as provided below, each party shall pay all fees and expenses incurred by it in connection with the merger and the other transactions contemplated by the merger agreement.

If the merger agreement is validly terminated, the agreement will become void and have no effect, without any liability or obligation on the part of any party except for (i) liabilities in connection with the confidentiality agreement between Pinnacle and GLPI, (ii) termination fees and expense reimbursements as described below, (iii) indemnification and confidentiality provisions arising out of Pinnacle s cooperation with GLPI in connection with GLPI s financing and (iv) liabilities arising out of or the result of fraud or any willful and material breach of any covenant, agreement, representation or warranty in the merger agreement prior to termination, in which case the aggrieved party is not limited to expense reimbursement or the termination fees described below and will be

Table of Contents

entitled to all rights and remedies available at law or in equity. The provisions of the merger agreement relating to the effects of termination, fees and expenses, termination payments, governing law, jurisdiction, waiver of jury trial, nonsurvival of representations and warranties, as well as the confidentiality agreement entered into between Pinnacle and GLPI, will continue in effect notwithstanding termination of the merger agreement.

Pinnacle will be obligated to pay to GLPI a termination fee of $60 million (subject to REIT restrictions) in the following circumstances:

- the merger agreement is terminated by GLPI prior to adoption of the merger agreement by Pinnacle s stockholders in the event of an adverse recommendation change; or

- (i) a company takeover proposal has been publicly announced or has become publicly known and not withdrawn by a date that is at least fifteen business days prior to the Pinnacle special meeting, (ii) thereafter, the merger agreement is terminated by either Pinnacle or GLPI because the Pinnacle special meeting has concluded without the adoption of the merger agreement by Pinnacle s stockholders and (iii) within twelve months of the termination of the merger agreement, Pinnacle or any of its subsidiaries enters into a definitive agreement with a third party with respect to or consummates a transaction that is a company takeover proposal with a third party.

In addition, GLPI will be obligated to pay to Pinnacle a termination fee of $150 million under the following circumstance:

- the merger agreement is terminated by either GLPI or Pinnacle because of any injunction, order, decree or ruling relating to gaming, antitrust or related laws or any related consents or approvals or the end has been reached and certain conditions related to regulatory and gaming approvals have not been satisfied; however, GLPI will not be required to pay any such termination fee if the primary cause of such termination was an adverse suitability finding under applicable gaming laws with respect to the business of OpCo and its affiliates.

In addition, in respect of expenses in connection with the merger agreement, (i) in the event of a termination resulting from the failure to obtain approval of the share issuance by GLPI s shareholders, GLPI shall pay Pinnacle $20 million within two business days after such termination (so long as Pinnacle s stockholders have not failed to adopt the merger agreement) and (ii) in the event of termination resulting from the failure of Pinnacle s stockholders to adopt the merger agreement, Pinnacle shall pay GLPI $20 million (subject to REIT restrictions) determined in accordance with calculations in the merger agreement within two business days after such termination (so long as GLPI s shareholders have not failed to approve the share issuance proposal).

Amendments and Waivers

Any provision of the merger agreement may be amended or waived by the parties at any time before the adoption of the merger agreement proposal by Pinnacle s stockholders. However, after such stockholder approval is obtained, there may not be, without further approval of Pinnacle s stockholders, any amendment or waiver of any provision of the merger agreement for which applicable law requires further approval by the stockholders of Pinnacle.

Specific Performance

In addition to any other remedy that may be available to each party, including monetary damages, each of the parties will be entitled to an injunction or injunctions to prevent breaches of the merger agreement and to enforce specifically its terms and provisions.

Table of Contents

Governing Law

The merger agreement is governed by the laws of the State of Delaware, except for the GLPI and Pinnacle debt commitment letters, which are governed by the laws of the State of New York (subject to certain exceptions).

Forms of Agreements to be Entered into Prior to the Closing of the Merger

The merger agreement attaches forms of certain additional agreements to be entered into prior to the closing of the merger to effect the separation of Pinnacle s real estate (except the Belterra Park property and excess land at certain locations) from its operations, including the master lease agreement, the separation agreement and the employee matters agreement. A tax matters agreement has been entered into as of the date of the execution of the merger agreement and is also attached as an exhibit to the merger agreement.

The Master Lease

Immediately prior to the closing of the merger, Pinnacle MLS, LLC, one of Pinnacle s wholly owned subsidiaries (referred to previously in this joint proxy statement/prospectus as Tenant), will enter into a triple-net master lease (referred to previously in this joint proxy statement/prospectus as the master lease) with Pinnacle (referred to previously in this joint proxy statement/prospectus as Landlord). Immediately upon closing of the merger, a subsidiary of GLPI will become successor by merger to Landlord. Tenant will lease from Landlord real property assets associated with fourteen (14) of the gaming facilities used in Pinnacle s operations (referred to previously in this joint proxy statement/prospectus as the facilities). The obligations of the Tenant under the master lease will be guaranteed by OpCo and all subsidiaries of Tenant that will operate the facilities leased under the master lease, or that own a gaming license, other license or other material asset necessary to operate any portion of the facilities. A default by Tenant with regard to any facility will cause a default with regard to the entire portfolio.

The following description of the master lease does not purport to be complete but contains a summary of certain material provisions of the master lease.

Term and Renewals

The master lease will provide for the lease of land, buildings, structures and other improvements on the land (including barges and riverboats), easements and similar appurtenances to the land and improvements relating to the operation of the leased properties.

The master lease will provide for an initial term of ten years with no purchase option. At Tenant s option, the master lease may be extended for up to five five-year renewal terms beyond the initial ten-year term, on the same terms and conditions. If Tenant elects to renew the term of the master lease, the renewal will be effective as to all, but not less than all, of the leased property then subject to the master lease.

Tenant will not have the ability to terminate its obligations under the master lease prior to its expiration without the Landlord s consent. If the master lease is terminated prior to its expiration other than with Landlord s consent, the Tenant may be liable for damages and incur charges such as continued payment of rent through the end of the lease term and maintenance costs for the property.

Rental Amounts and Escalators

The master lease is commonly known as a triple-net lease. Accordingly, in addition to rent, the Tenant will be required to pay the following: (i) all facility maintenance, (ii) all insurance required in connection with the leased properties and the business conducted on the leased properties, (iii) taxes levied on or with respect to the leased properties (other than taxes on the income of the Landlord) and (iv) all utilities and other services necessary or appropriate for the leased properties and the business conducted on the leased properties.

Table of Contents

Under the master lease, the initial annual aggregate rent payable by Tenant will be $377 million. Tenant will make the rent payment in monthly installments. The rent will be comprised of Base Rent and Percentage Rent components which are described below.

Base Rent

The base rent amount will be the sum of:

- *Building Base Rent:* a fixed component equal to approximately $289,056,000, subject to adjustment based on the actual revenue from the leased properties during the twelve months prior to the commencement of the master lease, during the first year of the master lease, and thereafter escalated annually by 2%, subject to a cap that would cause the preceding year s adjusted revenue to rent ratio (as it will be defined in the master lease) for the properties in the aggregate not to fall below 1.8:1; plus

- *Land Base Rent:* an additional fixed component equal to approximately $43,972,000, subject to adjustment based on the actual revenue from the leased properties during the twelve months prior the commencement of the master lease.

Percentage Rent

A variable percentage rent component that will be calculated as follows and is expected to equal approximately $43,972,000, subject to adjustment based on the actual revenue from the leased properties during the twelve months prior the commencement of the master lease, during the first year of the master lease:

- Fixed amount for the first two years. An adjustment will be recorded every two years to establish a new fixed amount for the next two-year period based on the average actual net revenues of Tenant from the facilities during the two-year period then ended (and calculated by multiplying 4% by the excess (if any) of (i) the average net revenues for the trailing two-year period over (ii) 50% of the trailing twelve (12) months net revenues as of the month ending immediately prior to the execution of the master lease).

Maintenance and Capital Improvements

The Tenant will be required to make all expenditures reasonably necessary to maintain the premises in good appearance, repair and condition. The Tenant will own and be required to maintain all personal property located at the leased properties in good repair and condition as is necessary to operate all the premises in compliance with applicable legal, insurance and licensing requirements. Without limiting the foregoing, the Tenant will be required to spend an amount equal to at least 1% of its actual net revenue each calendar year on installation or maintenance, restoration and repair of items that are capitalized in accordance with accounting principles generally accepted in the United States of America as of the date of lease execution with a life of not less than three years.

Capital improvements by the Tenant will be permitted without Landlord s consent only if such capital improvements (i) are of equal or better quality than the existing improvements they are improving, altering or modifying, (ii) do not consist of adding new structures or enlarging existing structures and (iii) do not have an adverse effect on the structure of any existing improvements. All other capital improvements will require the Landlord s review and approval, which approval shall not be unreasonably withheld. The Tenant will be required to provide copies of the plans and specifications in respect of all capital improvements, which shall be prepared in a high-grade professional manner and shall adequately demonstrate compliance with the foregoing with respect to permitted projects not requiring approval and shall be in such form as Landlord may reasonably require for any other projects.

The Tenant will be required to pay for all maintenance expenditures and capital improvements, provided that the Landlord will have a right of first offer to finance certain capital improvement projects. The Tenant shall be permitted to seek outside financing for such capital improvements during the six month period following Landlord s offer of financing. Whether or not capital improvements are financed by the Landlord, the Landlord will be entitled to receive Percentage Rent based on the net revenues generated by the new improvements as described above and such capital improvements will be subject to the terms of the master lease.

capital improvements as used herein shall mean any improvements, alterations or modifications other than ordinary maintenance of existing improvements, including, without limitation, capital improvements and structural alterations, modifications or improvements, one or more additional structures annexed to any facility or the expansion of existing improvements, *but* excluding any improvements or alterations or modifications of the leased improvements or any expansion of the existing improvements if such (i) commenced prior to the term of the master lease in accordance with the terms of the merger agreement, and (ii) costs less than $15 million on an individual project basis and less than $50 million in the aggregate with respect to all of the facilities.

Use of the Leased Property

The master lease will require that the Tenant utilize the leased property solely for gaming and/or pari-mutuel use consistent, with respect to each facility, with its current use, or with prevailing gaming industry use at any time, together with all ancillary uses consistent with gaming use and operations, including hotels, restaurants, bars, etc. and such other uses as the Landlord of the leased property may otherwise approve in its sole discretion. The Tenant will be responsible for maintaining or causing to be maintained all licenses, certificates and permits necessary for the leased properties to comply with various gaming and other regulations.

Events of Default

Under the master lease, an Event of Default will be deemed to occur upon certain events, including: (1) the failure by a Tenant to pay rent or other amounts when due or within certain grace or cure periods of the due date, (2) the failure by a Tenant to comply with the covenants set forth in the master lease when due or within any applicable cure period, (3) certain events of bankruptcy or insolvency with respect to Tenant or a guarantor, (4) the occurrence of an event that causes, or permits the holders thereof to cause, any material indebtedness of Tenant and its subsidiaries or any guarantor of the master lease (including Tenant), (5) the occurrence of a default under any guaranty of the master lease that is not cured within a certain grace period, (6) Tenant breaches a representation or warranty in the master lease in a material manner which materially and adversely affects Landlord, (7) the occurrence of a default in respect of a loan secured by a leased property, which default is the responsibility of Tenant or (8) the occurrence of certain events of regulatory non-compliance which would reasonably be expected to have a material adverse effect on the operations at the leased property or the financial condition of the Tenant.

Remedies for an Event of Default

Upon an Event of Default under the master lease, the Landlord of the leased property may, at its option, exercise the following remedies:

terminate the master lease, repossess any leased property, relet any leased property to a third party and require that the Tenant pay to the Landlord, as liquidated damages, the net present value of the rent for the balance of the term, discounted at the discount rate of the Federal Reserve Bank of New York at the time of award plus one percent (1%) and reducing such amount by the portion of the unpaid rent that Tenant proves could be reasonably avoided, plus any other amount necessary to compensate Landlord for Tenant s failure to perform (or likely to result therefrom) in the ordinary course,

with or without terminating the master lease, decline to terminate Tenant s right to possession of the leased property and require that Tenant pay to Landlord rent and other sums payable pursuant to the master lease with interest calculated at the overdue rate provided for in the master lease with Landlord permitted to enforce any other provision of the master lease or terminate Tenant s right to possession of the leased property and seek any liquidated damages as set forth in clause (i) above, and/or

Table of Contents

seek any and all other rights and remedies available under law or in equity.

Assignment and Subletting

Except as noted below, the master lease will provide that a Tenant may not assign or otherwise transfer any leased property or any portion of a leased property as a whole (or in substantial part), including by virtue of a change of control of the Tenant, without the consent of the Landlord, which may not be unreasonably withheld. Landlord s consent to an assignment of the master lease will not be required if (i) the proposed purchaser (1) is a creditworthy entity with sufficient financial stability to satisfy its obligations under the master lease, (2) agrees to assume the master lease without modification beyond that necessary to reflect the new party, (3) is licensed by each gaming authority with jurisdiction over one or more facilities covered by the master lease, (4) is solvent and (5) has, or retains a manager with, at least five years of experience operating casinos with revenues in the immediately preceding fiscal year of at least $750 million and is not in the business of leasing properties to gaming operators, or has agreement(s) in place to retain 70% of Tenant s and OpCo s ten most highly compensated corporate employees and 80% of Tenant and its subsidiaries facility employees with employment contracts, (ii) the adjusted revenues to rent ratio for each of the four calendar quarters immediately prior to the consummation of the proposed transaction is at least 1.4:1 (provided that this requirement shall not be in effect with respect to (x) a secured lender that is foreclosing, as well as with respect to such leasehold mortgagee s effectuating thereafter an initial sale or (y) a change of control resulting from the acquisition by any person or group of 50% or more of the voting power of Tenant), and (iii) the leverage to EBITDA ratio after giving effect to the proposed transaction and assumption of Tenant s obligations will be less than 8:1 or Landlord receives a guaranty of Tenant s obligations from an entity with an investment grade rating from a nationally recognized rating agency (provided that this requirement shall not be in effect with respect to Tenant becoming controlled by a secured lender that is foreclosing on a permitted pledge of interests in Tenant). In connection with certain assignments, the ultimate parent company of such assignee shall also execute a guaranty and shall be required to be solvent.

The master lease will also provide that Tenant may assign or otherwise transfer any leased property or a portion thereof to an affiliate subject to the Landlord s reasonable approval of the transfer documents. Upon any such assignment or transfer to an affiliate of the Tenant, such affiliate shall guaranty Tenant s obligations under the master lease and the Tenant will not be released from obligations under the applicable master lease.

In addition, the master lease will allow Tenant to sublease any space at any of the properties, subject in certain instances to Landlord s consent not to be unreasonably withheld as set forth in the master lease. Landlord shall be entitled to receive the same base and percentage rent that would have been received had Tenant continued to operate the subleased space.

New Opportunities

Tenant and Landlord generally will not be prohibited from developing, redeveloping, expanding, purchasing, building or operating facilities. However, certain limitations will apply within a sixty (60) mile radius of a facility that will be subject to the master lease (the Restricted Area). Within the Restricted Area, Tenant and the Landlord will be subject to the following restrictions.

Developing or building a new facility within the Restricted Area:

Tenant may develop or build a new facility only if it first offers Landlord the opportunity to participate (by including the newly developed property in the master lease portfolio) on terms to be negotiated by the parties. If Landlord declines, or if the parties cannot reach agreement on the terms, the annual Percentage Rent due from the affected existing facility subject to the master lease will thereafter (y) be subject to a floor which will be calculated based on the Percentage Rent that would have been paid for such facility if such Percentage Rent were adjusted based on net revenues for the calendar year immediately prior to the year in which the new facility is first opened to the public (the Floor) and

Table of Contents

(z) Percentage Rent will be subject to normal periodic adjustments provided that it may not be reduced below the Floor.

Landlord may not build or develop a new facility without Tenant s prior consent, which may be withheld in Tenant s sole discretion (but post-development sale-leasebacks or financings will be permitted without restriction as provided in paragraph (iii) (Acquisition/Refinance existing facilities within the Restricted Area) below).

Expanding existing facilities within the Restricted Area:

Tenant shall provide the Landlord with a right of first offer to finance any proposed expansion. Tenant shall be permitted to seek outside financing for such capital improvements during the six month period following Landlord s offer of financing.

Landlord shall have the right to finance expansions by competitors but the Percentage Rent from the affected facilities will thereafter be calculated monthly, based on (i) how much each preceding monthly net revenues for the affected facility is greater (or is less) than 1/12th of the portion of the trailing twelve (12) months net revenues as of the month ending immediately prior to the execution of the master lease attributable to the affected facility (and thereafter no longer based on the trailing two-year period that would have been the case).

Acquisition/refinance existing facilities within the Restricted Area:

Either Tenant or Landlord may avail itself on the following terms of opportunities to, in the case of Tenant, purchase or operate (and, in the case of Landlord, purchase or refinance) an existing facility (whether built prior to or after the date of the master lease) within the Restricted Area:

Tenant: The annual Percentage Rent due from the affected existing facility in the territory will thereafter (i) be subject to the Floor and (ii) be subject to normal periodic adjustments provided that it may not be reduced below the Floor.

Landlord: No restriction on the purchase or refinance of an existing gaming facility.

Gaming Licenses/Successor Lessee Provisions

Gaming licenses and all other assets necessary to operate the facilities that will be subject to the master lease will be held and maintained by Tenant pursuant to the terms of the master lease. The transfer of Tenant s property at the end of the term of the master lease will (x) exclude tradenames and trademarks, but include all customer lists and all other facility specific information and assets, (y) be at their fair market value, and (z) be conditioned upon the successor tenant obtaining the gaming licenses or the approval of the applicable regulatory agencies of the transfer of the gaming licenses and any other gaming assets to the successor tenant and/or the issuance of new gaming licenses as required by applicable gaming regulations and the relevant regulatory agencies both with respect to operating and suitability criteria, as the case may be.

The Separation and Distribution Agreement

The separation agreement that will be entered into at or prior to closing of the merger, which is attached to the merger agreement in Annex A as Exhibit C thereto, identifies assets to be transferred, liabilities to be assumed and contracts to be assigned to or retained by PropCo as part of the separation of Pinnacle s real property (except the Belterra Park property and excess land at certain locations) from its operations, which will be retained by or transferred to OpCo, and it will provide for when and how these transfers, assumptions and assignments will occur.

Distribution

The separation agreement will provide that each holder of Pinnacle common stock will receive a pro rata distribution of such number of shares of OpCo common stock as shall be determined by the Pinnacle board of directors for every one Pinnacle common share so held (referred to previously in this joint proxy statement/prospectus as the distribution). Prior to the distribution, Pinnacle will file a Form 10 with the SEC and distribute an information statement describing the distribution, including further information regarding OpCo. Following the distribution, Pinnacle s stockholders will collectively hold 100% of OpCo.

Transfer of Assets and Assumption of Liabilities

The separation agreement will identify the assets to be transferred, the liabilities to be assumed and the contracts to be assigned to OpCo and to Pinnacle as part of the separation, and it will provide for when and how these transfers, assumptions and assignments will occur. In particular, the separation agreement will provide, among other things, that, subject to the terms and conditions contained therein:

certain assets will be transferred to or retained by PropCo, including (i) all of Pinnacle s leased and real property assets, other than Belterra Park and certain other real property assets (the PropCo business), (ii) all permits or authorizations necessary to operate the PropCo business, (iii) all issued and outstanding capital stock of, or other equity interests in, the entities which will be transferred with, or retained by, PropCo, (iv) specified contracts relating to the PropCo Business, (v) the proceeds of the OpCo Cash Payment, subject to adjustment (described below) and (vi) certain other specified assets (collectively, the PropCo assets);

all other assets will be as of the time of the distribution, other than the PropCo assets will be transferred to or retained by OpCo.

certain liabilities will be assumed by or retained by PropCo specifically: (i) all liabilities to the extent relating to, arising out of or resulting from the PropCo assets or the PropCo business arising after the distribution, (ii) certain liabilities in connection with GLPI s financing for the merger (including, for example, breakage fees or other fees, costs and expenses), (iii) environmental liabilities relating to the PropCo assets solely to the extent that the liabilities arise and the facts on which they are based occur subsequent to the distribution, (iv) the fees and expenses of Pinnacle relating to legal counsel, investment bankers and other advisors as well as certain fees, expenses and costs associated with third party consents and Pinnacle s financing (the Pinnacle transaction expenses) up to and including $32,000,000 if the distribution and merger are completed on or prior to March 31, 2016, or up to $25,000,000 if the distribution and merger are completed after March 31, 2016, (v) the accrued and unpaid interest with respect to Pinnacle s existing debt (which will serve as an adjustment to the OpCo Cash Payment, as described below) and (vi) certain other specified liabilities, which will not include any liabilities that are governed by the tax matters agreement or employees matters agreement (collectively, the PropCo liabilities).

all of other liabilities as of the time of the distribution, other than the PropCo liabilities, will be assumed by or retained by OpCo.

OpCo Cash Payment

The separation agreement will provide that at the time of distribution, OpCo shall pay to PropCo the OpCo Cash Payment, which will be used by PropCo to pay off a portion of Pinnacle s existing indebtedness, substantially concurrently with the consummation of the distribution and the merger. The OpCo Cash Payment will be subject to the following adjustments:

the OpCo Cash Payment will be increased or decreased, as applicable, on a dollar-for-dollar basis by the amount that the existing indebtedness of Pinnacle at the time of the distribution is greater then or less than $3,675,000,000;

the OpCo Cash Payment will be reduced on a dollar-for-dollar basis by (i) the aggregate amount of Medicare taxes (ii) all Pinnacle transaction expenses up to and including either $32,000,000 if the merger is completed on or prior to March 31, 2016 or $25,000,000 if the merger is completed after March 31, 2016 and (iii) one-half of a potential fee related to third-party consent;

158

Table of Contents

the OpCo Cash Payment will be increased or decreased, as applicable, on a dollar-for-dollar basis by the amount that the accrued and unpaid interest of the existing indebtedness of Pinnacle is greater than or less than the amount of such interest as of December 31, 2015; and

in the event the distribution and the merger have not been consummated by December 31, 2015, the OpCo Cash Payment will be increased on a dollar-for-dollar basis by certain time-based fees payable after December 31, 2015 with respect to GLPI s financing commitments (up to a cap of $3,375,000).

Conditions to the Distribution

The separation agreement will provide that the distribution is subject to the satisfaction of certain conditions, specifically:

each of the conditions to the merger agreement has been fulfilled or waived (other than those conditions that by their nature can only be satisfied at the closing of the merger agreement) and GLPI has confirmed to Pinnacle in writing that it is prepared to consummate the merger, subject only to the distribution;

each of the transaction documents contemplated by the merger agreement and the separation agreement having been duly executed and delivered by the parties thereto;

the plan of reorganization to effectuate the separation having been substantially completed in accordance with the plan of reorganization;

the Form 10 (File No. 001-37666) filed with the SEC in connection with the separation has been declared effective by the SEC and no stop order suspending the effectiveness of the Form 10 shall be in effect, no proceedings for such purpose shall be pending before or threatened by the SEC, and the information statement shall have been mailed to holders of Pinnacle common stock as of the record date of the distribution;

prior to the date of the distribution, such registration statements on Form S-8 as are necessary to register the equity awards of OpCo held by or made available to directors and employees of OpCo have been filed with the SEC;

all actions and filings with respect to the OpCo common stock necessary under applicable federal, state or foreign securities or blue sky laws and the rules and regulations thereunder having been taken and, where applicable, become effective or been accepted;

OpCo will have obtained an opinion from a nationally-recognized valuation or accounting firm or investment bank, as to the adequacy of surplus under the laws of the State of Delaware to effect the distribution and the OpCo Cash Payment, and as to the solvency of OpCo and PropCo after giving effect to the distribution and the OpCo Cash Payment in a form reasonably satisfactory to OpCo and PropCo;

the OpCo common stock to be delivered in the distribution has been accepted for listing on a national securities exchange, subject to compliance with applicable listing requirements; and

no injunction by any court or other tribunal of competent jurisdiction has been entered and continue to be in effect and no law has been adopted or be effective preventing consummation of the distribution or any of the transactions contemplated by the merger agreement.

Efforts

The separation agreement will provide that the parties must use their reasonable best efforts following the distribution to obtain any consents, waivers, approvals, permits or authorizations to be obtained from, notices, registrations or reports to be submitted to, or other filings to be made with, any third person, including governmental entities, as soon as reasonably practicable, to the extent that the transfer or assignment of any assets, the assumption of any liability, or the distribution requires any approvals or notifications.

Table of Contents

If and to the extent that the valid, complete and perfected transfer or assignment of any assets or assumption of any liabilities would be a violation of applicable law or require any approvals in connection with the distribution, that has not been obtained or made by the time of distribution then, the transfer or assignment of such assets or the assumption of such liabilities, will be automatically deferred until such time as all legal impediments are removed or such approvals been obtained or made. However, if such legal impediments are not removed or such approvals are not obtained or made by the second anniversary of the date of distribution, then all assets and liabilities that are held by PropCo or OpCo, as the case may be, will be retained by such party indefinitely, except for certain specified real property, for which parties will continue indefinitely to work to transfer to PropCo. For such period of time, the party retaining such asset or liability will, to the extent reasonably possible and permitted by applicable law, treat such asset or liability in the ordinary course of business in accordance with past practice and take such other actions as may be reasonably requested by the party to whom such asset is to be transferred or assigned, or which will assume such liability, in order to place such party in a substantially similar position as if the asset or liability had been transferred, assigned or assumed and so that all the benefits and burdens relating to the asset or liability, as the case may be, including use, risk of loss, potential for gain, and dominion, control and command over the asset or liability, as the case may be, is to inure from and after the time of distribution to such party. However, neither party will be obligated to expend any money unless the necessary funds are advanced (or otherwise made available) by the party entitled to the asset or liability, other than reasonable out-of-pocket expenses, attorneys fees and recording or similar fees, all of which will be promptly reimbursed by such party entitled to such asset or liability. Moreover, notwithstanding the foregoing, the rent payable under the master lease agreement will not be affected by the retention or transfer of any PropCo asset or liability, provided that if such asset or liability is not assigned to PropCo by the second anniversary after the distribution date, the parties will negotiate in good faith with respect to an alternative arrangement to place the parties in substantially equivalent economic circumstances with respect to the benefits and burdens of ownership of such asset as if the asset had been transferred to PropCo.

In addition to the actions specifically provided for in the separation agreement, except as otherwise set forth therein or in any other transaction document, both OpCo and Pinnacle will agree in the separation agreement to use reasonable best efforts, prior to, on and after the distribution date, to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary under applicable laws, regulations and agreements to consummate and to make effective the transactions contemplated by the separation agreement and the other transaction documents.

Releases

Except as otherwise provided in the separation agreement or any other transaction agreements, each party will release and forever discharge the other party and its respective subsidiaries and affiliates from all liabilities existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the separation of OpCo from Pinnacle. The releases will not extend to or amend obligations or liabilities under any agreements between the parties that remain in effect following the separation.

Indemnification

In addition, the separation agreement will provide for mutual indemnities principally designed to place financial responsibility for the obligations and liabilities of OpCo s business with OpCo and financial responsibility for the obligations and liabilities of the PropCo business with PropCo. In general, each party will indemnify, defend and hold harmless the other party, its affiliates and subsidiaries and its officers, directors, employees and agents for any losses arising out of or otherwise in connection with the liabilities that each such party assumed or retained pursuant to the separation agreement and the other transaction agreements.

Table of Contents

Insurance

The separation agreement will provide for the allocation between the parties of rights and obligations with respect to insurance policies.

Dispute Resolution

The separation agreement will contain provisions that govern, except as otherwise provided in the master lease, the resolution of disputes, controversies or claims that may arise between OpCo and PropCo related to the spin-off. These provisions will contemplate that either OpCo or PropCo will submit the dispute, controversy or claim to binding alternative dispute resolution, subject to the provisions of the separation agreement.

Employee Matters Agreement

The employee matters agreement, a form of which is attached to the merger agreement as Exhibit A thereto, will generally allocate liabilities and responsibilities relating to employee compensation and benefit plans and programs. The employee matters agreement will provide for the treatment of Pinnacle s outstanding equity awards in connection with the spin-off (as described more fully above in The Merger Treatment of Pinnacle Long-Term Incentive Compensation). In addition, the employee matters agreement will set forth the general principles relating to employee matters, including with respect to the assignment of employees and the transfer of employees from Pinnacle to OpCo, the assumption and retention of liabilities and related assets, workers compensation, labor relations, and related matters.

The employee matters agreement will provide that as of the consummation of the distribution, Pinnacle employees will be transferred to OpCo prior the separation. Except with regard to Pinnacle s outstanding long-term incentive awards (as described more fully above in The Merger Treatment of Pinnacle Long-Term Incentive Compensation), OpCo will assume responsibility for, and will pay and be liable for, all wages, salaries, welfare, incentive compensation and employment-related liabilities, and will assume all compensation and employment-related plans and agreements, with respect to each of the employees and directors. Except with regard to Pinnacle s outstanding long-term incentive awards (as described more fully above in The Merger Treatment of Pinnacle Long-Term Incentive Compensation), prior to the separation, Pinnacle will transfer all of the assets, if any, and liabilities relating to the compensation and benefit plans and agreements to OpCo.

Tax Matters Agreement

The tax matters agreement, a copy of which is attached to the merger agreement as Exhibit D thereto, will govern OpCo s and GLPI s respective rights, responsibilities and obligations with respect to taxes (including taxes arising in the ordinary course of business and taxes incurred as a result of the spin-off), tax attributes, tax returns, tax contests and certain other tax matters.

Under the tax matters agreement, OpCo will generally be liable for taxes of Pinnacle relating to time periods before the effective time of the merger. GLPI, however, will be liable for taxes of Pinnacle arising as a result of the merger, the spin-off and certain related transactions. GLPI s liability in this regard will be limited by certain assumptions relating to Pinnacle s tax attributes and projected taxable income, with OpCo bearing liability to the extent additional taxes may result from an inaccuracy in such assumptions. OpCo and GLPI have also agreed to share liability for certain taxes relating to the assets to be acquired by GLPI. GLPI will bear liability for any transfer taxes incurred on the merger, the spin-off and certain related transactions.

The tax matters agreement provides that OpCo will generally prepare and file any tax returns for tax periods of Pinnacle ending on or prior to the effective time of the merger and will control any tax contests related to such tax returns, subject to certain review, participation and consent rights of GLPI.

Table of Contents

UNAUDITED PRO FORMA CONSOLIDATED COMBINED CONSOLIDATED FINANCIAL INFORMATION OF GLPI

The following unaudited pro forma consolidated combined financial statements (the Pro Forma Financial Statements) have been prepared to reflect the effects of the merger (following the spin-off) on the financial statements of GLPI. The unaudited pro forma consolidated combined balance sheet is presented as if the merger had occurred on September 30, 2015. The unaudited pro forma consolidated combined statements of income for the year ended December 31, 2014, and the nine months ended September 30, 2015, are presented as if the merger had occurred on January 1, 2014. The historical consolidated financial information has been adjusted to reflect factually supportable items that are directly attributable to the merger and, with respect to the statements of income only, expected to have a continuing impact on the combined results.

The Pro Forma Financial Statements have been prepared using the acquisition method of accounting using the accounting guidance for asset acquisitions in ASC 805, with GLPI treated as the acquirer. The acquisition method of accounting is dependent upon certain valuations and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measure. Accordingly, the pro forma adjustments are preliminary, have been made solely for the purpose of providing Pro Forma Financial Statements, and are subject to revision based on a final determination of fair value as of the date of acquisition. Differences between these preliminary estimates and the final acquisition accounting may have a material impact on the accompanying Pro Forma Financial Statements and the combined company s future results of operations and financial position.

The Pro Forma Financial Statements are provided for informational purposes only and do not purport to represent what the actual consolidated results of operations or the consolidated financial position of GLPI would have been had the merger occurred on the dates assumed, nor are they necessarily indicative of future consolidated results of operations or consolidated financial position. The Pro Forma Financial Statements should be read in conjunction with:

- The accompanying notes to the Pro Forma Financial Statements;
- The audited consolidated financial statements and accompanying notes of GLPI and Pinnacle contained in their respective Annual Reports on Form 10-K (including, in the case of GLPI, Amendment No. 1 thereto on Form 10-K/A) for the year ended December 31, 2014, incorporated by reference herein; and
- The unaudited consolidated financial statements and accompanying notes of GLPI and Pinnacle contained in their respective Quarterly Reports on Form 10-Q for the quarterly period ended September 30, 2015, incorporated by reference herein.

Table of Contents

Unaudited Pro Forma Consolidated Combined Balance Sheet of GLPI

As of September 30, 2015

(in thousands, except share and per share data)

	GLPI Actual (unaudited)	Pro Forma Adjustments		Pro Forma Combined
Assets				
Real estate investments, net	$ 2,113,382	1,785,625	A	3,899,007
Property and equipment, used in operations, net	131,916			131,916
Investment in direct financing lease		2,728,209	B	2,728,209
Cash and cash equivalents	42,740	3,980	C	68,720
		22,000	D	
Prepaid expenses	7,519	111	E	7,764
		134	F	
Deferred income taxes	1,799			1,799
Other current assets	60,837			60,837
Goodwill	75,521			75,521
Other intangible assets	9,577			9,577
Debt issuance costs, net of accumulated amortization of $17,057 at September 30, 2015	38,083	30,496	G	68,579
Loan receivable	32,388			32,388
Deferred income taxes, non-current	1,968			1,968
Other assets	385	315	E	700
Total assets	$ 2,516,115	4,570,870		7,086,985
Liabilities				
Accounts payable	$ 2,637			$ 2,637
Accrued expenses	8,973	134	F	9,107
Accrued interest	42,533			42,533
Accrued salaries and wages	11,679			11,679
Gaming, property, and other taxes	36,231			36,231
Current maturities of long-term debt	101			101
Other current liabilities	15,474	22,000	D	37,474
Long-term debt, net of current maturities	2,541,313	2,425,000	H	4,966,313
Deferred rental revenue	93,423			93,423
Deferred income taxes, non-current	337			337
Total liabilities	2,752,701	2,447,134		5,199,835

Shareholders (deficit) equity

Preferred stock ($.01 par value, 50,000,000 shares authorized, no shares issued or outstanding at September 30, 2015)				
Common stock ($.01 par value, 500,000,000 shares authorized, 114,668,312 shares issued at September 30, 2015)	1,147	809	I	1,956
Additional paid-in capital	918,668	2,122,927	I	3,041,595
Retained deficit	(1,156,401)			(1,156,401)
Total shareholders (deficit) equity	(236,586)	2,123,736		1,887,150
Total liabilities and shareholders equity	$ 2,516,115	4,570,870		$ 7,086,985

NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED COMBINED BALANCE SHEET

GLPI calculated the total purchase price of $4.514 billion for the Pinnacle real estate assets by assuming that GLPI issued $1.397 billion of common stock in exchange for the outstanding shares of Pinnacle common stock at the closing date and $109.8 million of common stock for GLPI s portion of the employee equity and cash based incentive awards outstanding at the closing date (assuming a stock price of $27.00 per share), repaid $2.700 billion of Pinnacle debt (through combined funds of debt issued by GLPI and a portion of the funds from the primary equity issuance of GLPI), paid $280.0 million of Pinnacle transaction expenses and incurred $27.5 million of its own transaction expenses to be included in purchase price. The acquisition will be accounted for as an asset acquisition under the Accounting Standards Codification Section 805- Business Combinations and the master lease will be bifurcated between an operating lease and a direct financing lease under the Accounting Standards Codification Section 840-Leases. The land and land rights portion of the master lease will be classified as an operating lease and the building portion of the master lease will be classified as a direct financing lease. The total purchase price will be allocated to the land and land rights acquired from Pinnacle, the investment in the direct financing lease and a director and officer liability insurance policy acquired from Pinnacle. The allocation of the purchase price components are described below.

Pro Forma Adjustments:

(A) To record the fair value of the land and land rights acquired from Pinnacle.

(B) To record the investment in the direct financing lease. Under the Company s application of Accounting Standards Codification Section 840 Leases, GLPI will account for the lease of the building assets to Pinnacle as a direct financing lease. The accounting treatment for direct financing leases requires the Company to record an investment in direct financing leases on its books at lease inception and subsequently recognize interest income and a reduction in the investment for the building portion of rent.

(C) To record the excess cash impact of transaction costs that were paid prior to the execution of the merger agreement, relating to the acquisition of the Pinnacle real estate assets, which are included in the debt and equity pro forma adjustments.

(D) To record GLPI s assumption of certain tax liabilities of Pinnacle. Under the tax matters agreement, GLPI has agreed to be liable for taxes of Pinnacle arising as a result of the merger, the spin-off and certain related transactions. GLPI s liability in this regard will be limited by certain assumptions relating to Pinnacle s tax attributes and projected taxable income, with OpCo bearing liability to the extent additional taxes may result from an inaccuracy in such assumptions. As this amount is not expected to be paid at the closing date, it will remain in cash until paid.

(E) To record the fair value of the director and officer liability insurance policy acquired from Pinnacle at the closing date. The policy was prepaid by Pinnacle prior to the merger and will be amortized to general and administrative expense within GLPI s consolidated statement of earnings over the remaining policy term. The original policy term was six years; thus GLPI recorded one year of the prepaid policy as a current asset and the remainder of the policy as a long-term deposit.

(F) To record the portion of the ground lease rent prepaid by Pinnacle at September 30, 2015 related to the land leases GLPI has subleased to Pinnacle. In accordance with ASC 605, Revenue Recognition, the Company records a liability for the ground lease rent related to the subleased properties with an offsetting prepaid recorded within the consolidated balance sheet as GLPI has concluded it is the primary obligor.

(G) To record anticipated debt issuance costs related to GLPI s new debt issuances associated with the acquisition of the Pinnacle real estate assets.

(H) To record the debt issued by GLPI in connection with the acquisition of the Pinnacle real estate assets. Based on recent discussions with prospective lenders and current market interest rates, we estimate that GLPI will issue a six year $800 million senior unsecured note with a fixed interest rate of 5.25% and an eight year $800 million senior unsecured note with a fixed interest rate of 6.00%. Additionally, GLPI will borrow an additional $825 million under an incremental Term Loan A facility with a five year maturity. This facility will be variable in nature and priced at LIBOR plus 175 basis points.

Table of Contents

(I) To record the issuance of common stock of $1.507 billion to Pinnacle stockholders and to Pinnacle to satisfy the GLPI portion of employee equity and cash based incentive awards, as well as a primary equity issuance of $644 million to fund acquisition related costs and repay a portion of the existing Pinnacle debt, net of issuance costs of $27.0 million. This assumes GLPI issued approximately 80.9 million new shares of common stock.

Table of Contents

Unaudited Pro Forma Consolidated Combined Statement of Income of GLPI

For the Nine Months Ended September 30, 2015

(in thousands, except per share data)

	GLPI Actual	Pro Forma Adjustments		Pro Forma Combined
Revenues				
Revenues from rental properties	293,597	160,706	A	534,506
		80,203	B	
Real estate taxes and ground rent paid by tenants	40,071	27,173	C	73,024
		5,780	D	
Total rental revenue	333,668	273,862		607,530
Gaming	108,425			108,425
Food, beverage and other	8,464			8,464
Total revenues	450,557	273,862		724,419
Less promotional allowances	(4,193)			(4,193)
Net revenues	446,364	273,862		720,226
Operating expenses				
Gaming	58,644			58,644
Food, beverage and other	6,489			6,489
Real estate taxes	41,138	27,173	C	68,311
General and administrative	64,546	5,780	D	66,429
		83	E	
		(3,980)	F	
Depreciation and amortization	82,585	11,938	G	94,523
Total operating expenses	253,402	40,994		294,396
Income from operations	192,962	232,868		425,830
Other income (expense)				
Interest expense	(90,373)	(86,528)	H	(176,901)
Interest income	1,761			1,761
Total other expenses	(88,612)	(86,528)		(175,140)
Income before income taxes	104,350	146,340		250,690
Income tax expense	6,001			6,001
Net Income	$ 98,349	$ 146,340		$ 244,689

Basic earnings per common share	$	0.86	$	0.39	$	1.25
Diluted earnings per common share	$	0.83	$	0.39	$	1.22
Dividends paid per common share	$	1.64	$	0.13	$	1.77

Table of Contents

Unaudited Pro Forma Consolidated Combined Statement of Income of GLPI

For the Year Ended December 31, 2014

(in thousands, except per share data)

	GLPI Actual	Pro Forma Adjustments		Pro Forma Combined
Revenues				
Revenues from rental properties	$ 386,403	$ 214,275	A	$ 711,397
		110,719	B	
Real estate taxes and ground rent paid by tenants	50,534	36,231	C	94,471
		7,706	D	
Total rental revenue	436,937	368,931		805,868
Gaming	148,283			148,283
Food, beverage and other	11,621			11,621
Total revenues	596,841	368,931		965,772
Less promotional allowances	(5,773)			(5,773)
Net revenues	591,068	368,931		959,999
Operating expenses				
Gaming	82,995			82,995
Food, beverage and other	9,734			9,734
Real estate taxes	52,154	36,231	C	88,385
General and administrative	80,836	7,706	D	88,988
		446	E	
Depreciation and amortization	106,843	15,254	G	122,097
Total operating expenses	332,562	59,637		392,199
Income from operations	258,506	309,294		567,800
Other income (expense)				
Interest expense	(117,030)	(115,371)	H	(232,401)
Interest income	2,444			2,444
Total other expenses	(114,586)	(115,371)		(229,957)
Income before income taxes	143,920	193,923		337,843
Income tax expense	5,113			5,113
Net Income	$ 138,807	$ 193,923		$ 332,730

Basic earnings per common share	$	1.23	$	0.49	$	1.72
Diluted earnings per common share	$	1.18	$	0.50	$	1.68
Dividends paid per common share	$	14.32	$	0.18	$	14.50

Table of Contents

NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED COMBINED STATEMENTS OF INCOME

The total rent received from the tenant will be comprised of Base Rent and Percentage Rent components, which are described below.

Base Rent

Fixed amount for duration of lease. This amount will be:

(i) A fixed component expected to equal $289.056 million[1] during the first year of the master lease, and thereafter escalated annually by 2%, subject to a cap that would cause the preceding year s adjusted revenue to rent ratio for the leased properties in the aggregate not to fall below 1.8:1 (Building Base Rent); plus

(ii) An additional fixed component expected to equal $43.972 million[2] (Land Base Rent)

Percentage Rent

A variable percentage rent component that will be calculated as follows and is expected to equal $43.972 million[2] during the first year of the master lease. The percentage rent shall be a fixed amount for the first two years of the lease, and thereafter will be adjusted every two years. The adjusted percentage rent shall be calculated by multiplying 4% by the excess (if any) of (a) the average annual net revenues for the trailing two-year period over (b) $1,099,305,500.

Based upon the Company s application of Accounting Standards Codification Section 840 Leases, the master lease will be accounted for partially as an operating lease and partially as a direct financing lease. The components of the revenues from rental properties on GLPI s Consolidated Statements of Income are described below.

Pro Forma Adjustments:

(A) To record rental income associated with the acquired Pinnacle land and land rights in connection with the master lease. The fair market value of the acquired land and land rights at lease inception multiplied by the lessee s incremental borrowing rate was used to calculate the land rent.

(B) To record interest income associated with the acquired Pinnacle buildings under the master lease. The building portion of the master lease is classified as a direct financing lease; therefore at the lease inception GLPI, as the lessor, records an investment in direct financing leases on its balance sheet and subsequently recognizes interest income and a reduction in the investment for the building portion of rent.

(C) To record the estimated real estate taxes paid by Pinnacle on the leased properties. In accordance with ASC 605, GLPI records revenue for the real estate taxes paid by its tenants on the leased properties with offsetting expense recorded in real estate taxes within the consolidated statement of income as GLPI has concluded it is the primary obligor.

[1] $377 million minus (i) Land Base Rent and (ii) Percentage rent. Current amount is as of June 30, 2015. Initial Building Base Rent to be updated as of the date of execution of the master lease.

[2] Calculated as 2% of the trailing 12 months Net Revenues as of June 30, 2015. To be updated as of the date of execution of the master lease to equal 2% of the aggregate Base Year Net Revenue.

[3] Calculated as 50% of the trailing 12 months Net Revenues as of June 30, 2015. To be updated as of the date of execution of the master lease to equal 50% of the aggregate Base Year Net Revenue.

Table of Contents

(D) To record the estimated ground lease rent paid by Pinnacle on the properties subleased from GLPI. In accordance with ASC 605, GLPI records revenue for the ground lease rent paid by its tenants on the subleased properties with offsetting expense recorded in general and administrative expenses within the consolidated statement of income as GLPI has concluded it is the primary obligor.

(E) To record the amortization of the prepaid director and officer liability insurance policy acquired from Pinnacle on the date of the merger.

(F) To reverse the impact of transaction costs that were paid prior to the execution of the merger agreement, relating to the acquisition of the Pinnacle real estate assets.

(G) To record expected amortization expense related to the acquired lease rights for the land on which Pinnacle s acquired real estate assets reside. The estimated amortization expense was determined based upon the lease term, which was assumed to be 35 years.

(H) To record anticipated interest expense related to GLPI s anticipated fixed and variable rate borrowings related to the acquisition of Pinnacle s real estate assets. Based on recent discussions with prospective lenders and current market interest rates, GLPI estimates that it will issue a six-year, $800 million senior unsecured note with a fixed interest rate of 5.25% and an eight-year $800 million senior unsecured note with a fixed interest rate of 6.00%. Additionally, GLPI will borrow an additional $825 million under an incremental Term Loan A facility with a five year maturity. This facility will be variable in nature and priced at LIBOR plus 175 basis points. Furthermore, GLPI has included the impact of a 25 basis point increase in the interest rate on its current Credit Facility borrowings, which will increase from LIBOR plus 150 basis points to LIBOR plus 175 basis points as a result of the new debt issuances. The interest expense amount also includes the anticipated amortization of debt issuance costs, which is recorded as interest expense in the consolidated statements of income. The impact of a 1/8% change in the interest rate of our variable rate borrowing would increase or decrease GLPI s annual interest expense by $1.6 million.

Table of Contents

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION OF OPCO

The following unaudited pro forma condensed consolidated financial information presents the unaudited pro forma condensed consolidated balance sheet and unaudited pro forma condensed consolidated statements of continuing operations as of and for the nine months ended September 30, 2015, and for the year ended December 31, 2014 based upon the consolidated historical financial statements of Pinnacle Entertainment, Inc. (Pinnacle).

The unaudited pro forma condensed consolidated balance sheet presents the financial position of PNK Entertainment, Inc. (OpCo) as of September 30, 2015 giving effect to events that are directly attributable to the spin-off of OpCo as a newly formed corporation and separation of Pinnacle s real property (except the Belterra Park property and excess land at certain locations) from its operations, with OpCo becoming a stand-alone, publicly traded company, following which the remaining Pinnacle entity (PropCo), which will own most of Pinnacle s historical real estate, will merge (the merger) with and into a wholly owned subsidiary of Gaming and Leisure Properties Inc. (GLPI) pursuant to an Agreement and Plan of Merger (the Merger Agreement), with OpCo operating the gaming facilities acquired by GLPI under a triple-net master lease agreement (the Master Lease), as if they occurred on such date. The unaudited pro forma condensed consolidated statements of continuing operations for the nine months ended September 30, 2015 and for the year ended December 31, 2014 give effect to the Merger Agreement and Master Lease as if they had occurred on January 1, 2014.

The unaudited pro forma condensed consolidated financial information has been prepared based upon currently available information and assumptions deemed appropriate by Pinnacle s management and is provided for informational purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the transactions had been completed as of the dates set forth above, nor is it indicative of the future results or current financial conditions. Furthermore, the unaudited pro forma condensed consolidated statements of continuing operations exclude certain nonrecurring charges associated with the Merger Agreement and Master Lease. The unaudited pro forma condensed consolidated financial information should be read in conjunction with the separate historical financial statements and accompanying notes of Pinnacle.

Table of Contents

PNK Entertainment, Inc.

Unaudited Condensed Consolidated Balance Sheet and Pro Forma Adjustments

As of September 30, 2015

(amounts in thousands)

	Historical Pinnacle Entertainment, Inc.	Pro Forma Adjustments	Notes	Pro Forma
ASSETS				
Current assets:				
Cash and cash equivalents	$ 123,012	$ 1,023,858	**a**	$ 123,012
		(15,300)	**b**	
		(47,455)	**c**	
		(961,103)	**d**	
Accounts receivable, net	29,703			29,703
Inventories	10,796			10,796
Prepaid expenses and other assets	22,177	(111)	**e**	22,066
Deferred income taxes	7,509	(7,509)	**f**	
Assets held for sale and assets of discontinued operations	9,776			9,776
Total current assets	202,973	(7,620)		195,353
Land, buildings, vessels and equipment, net	2,885,328			2,885,328
Goodwill	914,525			914,525
Intangible assets, net	511,520	(244,500)	**g**	267,020
Other assets, net	74,575	(37,068)	**h**	37,192
		(315)	**e**	
Deferred income taxes		46,459	**f**	46,459
Total assets	$ 4,588,921	$ (243,044)		$ 4,345,877
LIABILITIES AND STOCKHOLDERS EQUITY				
Current liabilities:				
Accounts payable	$ 26,467	$		$ 26,467
Accrued interest	69,855	(69,855)	**i**	
Accrued compensation	77,311			77,311
Accrued taxes	57,659			57,659
Other accrued liabilities	80,086			80,086
Current portion of long-term debt	11,006	(11,006)	**j**	12,750
		12,750	**a**	
Current portion of long-term financing obligation		5,671	**k**	5,671
Liabilities held for sale and liabilities of discontinued operations	63			63

Total current liabilities	322,447	(62,440)		260,007
Long-term debt less current portion	3,665,926	(3,630,196)	**j**	995,808
		1,011,108	**a**	
		(35,730)	**l**	
		(15,300)	**b**	
Long-term financing obligation less current portion		2,775,221	**k**	2,775,221
Other long-term liabilities	41,365			41,365
Deferred income taxes	187,178	(187,178)	**f**	
Total liabilities	4,216,916	(144,515)		4,072,401
Commitments and contingencies				
Stockholders equity:				
Common stock	6,724	(6,724)	**m**	609
		609	**n**	
Additional paid-in capital	1,117,514	199,541	**o**	1,317,055
Accumulated deficit	(691,407)	(71,090)	**p**	(1,054,452)
		(47,455)	**c**	
		(244,500)	**g**	
Accumulated other comprehensive income	132			132
Treasury stock	(71,090)	71,090	**p**	
Total Pinnacle stockholders equity	361,873	(98,529)		263,344
Non-controlling interest	10,132			10,132
Total stockholders equity	372,005	(98,529)		273,476
Total liabilities and stockholders equity	$ 4,588,921	$ (243,044)		$ 4,345,877

171

Table of Contents

PNK Entertainment, Inc.

Unaudited Condensed Consolidated Statement of Continuing Operations and Pro Forma Adjustments

For the nine months ended September 30, 2015

(amounts in thousands, except per share data)

	Historical Pinnacle Entertainment, Inc.	Pro Forma Adjustments	Notes	Pro Forma
Revenues:				
Gaming	$ 1,547,353	$		$ 1,547,353
Food and beverage	95,224			95,224
Lodging	39,488			39,488
Retail, entertainment and other	51,364			51,364
Total revenues	1,733,429			1,733,429
Operating expenses				
Gaming	823,603			823,603
Food and beverage	88,836			88,836
Lodging	19,408			19,408
Retail, entertainment and other	22,034			22,034
General and administrative	318,790	(83)	**a**	318,707
Depreciation and amortization	187,290			187,290
Pre-opening, development and other costs	11,712	(10,070)	**b**	1,642
Write-downs, reserves, and recoveries, net	6,555			6,555
Total operating expenses	1,478,228	(10,153)		1,468,075
Operating income	255,201	10,153		265,354
Interest expense, net	(186,105)	186,105	**c**	(285,937)
		(38,274)	**d**	
		(247,663)	**e**	
Loss from equity method investment	(83)			(83)
Income (loss) from continuing operations before income taxes	69,013	(89,679)		(20,666)
Income tax (expense) benefit	(12,673)	3,600	**f**	(9,073)
Income (loss) from continuing operations	56,340	(86,079)		(29,739)
Net loss attributable to non-controlling interest	(1,271)			(1,271)
Income (loss) from continuing operations attributable to Pinnacle Entertainment Inc./PNK Entertainment Inc.	$ 57,611	$ (86,079)		$ (28,468)

Net income (loss) from continuing operations per common share:					
Basic	$	0.94	n/a	$	(0.47)
Diluted	$	0.91	n/a	$	(0.47)
Weighted average shares:					
Basic		60,936			60,936
Diluted		63,191			60,936

Table of Contents

PNK Entertainment, Inc.

Unaudited Condensed Consolidated Statement of Continuing Operations and Pro Forma Adjustments

For the year ended December 31, 2014

(amounts in thousands, except per share data)

	Historical Pinnacle Entertainment, Inc.	Pro Forma Adjustments	Notes	Pro Forma
Revenues:				
Gaming	$ 1,974,410	$		$ 1,974,410
Food and beverage	118,397			118,397
Lodging	50,553			50,553
Retail, entertainment and other	67,183			67,183
Total revenues	2,210,543			2,210,543
Operating expenses				
Gaming	1,056,878			1,056,878
Food and beverage	110,349			110,349
Lodging	24,002			24,002
Retail, entertainment and other	27,031			27,031
General and administrative	421,399	(111)	**a**	421,288
Depreciation and amortization	241,062			241,062
Pre-opening, development and other costs	12,962	(1,732)	**b**	11,230
Write-downs, reserves, and recoveries, net	6,387			6,387
Total operating expenses	1,900,070	(1,843)		1,898,227
Operating income	310,473	1,843		312,316
Interest expense, net	(252,647)	252,647	**c**	(381,249)
		(51,033)	**d**	
		(330,216)	**e**	
Loss on early extinguishment of debt	(8,234)	8,234	**f**	
Loss from equity method investment	(165)			(165)
Income (loss) from continuing operations before income taxes	49,427	(118,525)		(69,098)
Income tax (expense) benefit	(11,096)	3,397	**g**	(7,699)
Income (loss) from continuing operations	38,331	(115,128)		(76,797)
Net loss attributable to non-controlling interest	(63)			(63)
	$ 38,394	$ (115,128)		$ (76,734)

Income (loss) from continuing operations attributable to Pinnacle Entertainment Inc./PNK Entertainment Inc.					
Net income (loss) from continuing operations per common share:					
Basic	$	0.64	n/a	$	(1.29)
Diluted	$	0.62	n/a	$	(1.29)
Weighted average shares:					
Basic		59,666			59,666
Diluted		61,606			59,666

173

PNK Entertainment, Inc.

Notes to Unaudited Pro Forma Condensed Consolidated Financial Information

Note 1. Basis of Presentation

The historical financial information has been adjusted to give pro forma effect to events that are (i) directly attributable to the legal separation of Pinnacle s real estate assets (except the Belterra Park property and excess land at certain locations) from its operating assets and liabilities into OpCo, pursuant to the Merger Agreement in which PropCo will merge with and into a wholly owned subsidiary of GLPI following the separation of OpCo, with OpCo operating the gaming facilities acquired by GLPI under the Master Lease (ii) factually supportable, and (iii) with respect to the unaudited pro forma condensed consolidated statements of continuing operations, expected to have a continuing impact on results. The pro forma adjustments are based on the determination that the separation of OpCo should be evaluated for accounting purposes as the reverse of its legal form under the requirements of Accounting Standards Codification (ASC) Subtopic 505-60, *Spinoff and Reverse Spinoffs*, resulting in OpCo being considered the accounting spinnor and PropCo the accounting spinnee, following which PropCo will be acquired by GLPI. The OpCo leaseback of the gaming facilities under the terms of the Master Lease will not qualify for sale-leaseback accounting and therefore the Master Lease will be accounted for as a financing obligation and the gaming facilities will remain on OpCo s Consolidated Financial Statements. The pro forma adjustments giving effect to the Master Lease and Merger Agreement are based on book values and estimates of fair value. All pro forma adjustments have been prepared to illustrate the estimated effect of the transactions contemplated by the Merger Agreement.

This information should be read in conjunction with Pinnacle s historical financial statements and accompanying notes in its Quarterly Report on Form 10-Q for the nine months ended September 30, 2015, as filed with the SEC on November 9, 2015, and its Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the SEC on March 2, 2015. All pro forma adjustments and their underlying assumptions are described more fully in the notes to the unaudited pro forma condensed consolidated financial information.

Note 2. Description of Transactions

On July 20, 2015, Pinnacle entered into the Merger Agreement. Pursuant to the terms of the Merger Agreement, Pinnacle will separate its real estate assets (except the Belterra Park property and excess land at certain locations which, as a result of negotiations with GLPI, shall be transferred to OpCo) from its operating assets into OpCo and it will distribute to its stockholders, on a pro rata basis, all of the issued and outstanding shares of common stock of OpCo (such distribution referred to as the Spin-Off). As a result, Pinnacle stockholders will receive one share of OpCo common stock for each share of Pinnacle common stock that they own. PropCo will then merge with and into Gold Merger Sub, LLC, a wholly owned subsidiary of GLPI (Merger Sub), with Merger Sub surviving the merger as a wholly owned subsidiary of GLPI.

At the effective time of the merger, each share of common stock, par value $0.10 per share, of Pinnacle (the Pinnacle Common Stock) issued and outstanding immediately prior to the effective time (other than shares of Pinnacle Common Stock (i) owned or held in treasury by Pinnacle or (ii) owned by GLPI, its subsidiaries or Merger Sub) will be canceled and converted automatically into the right to receive 0.85 shares of common stock, par value $0.01 per share, of GLPI.

After the closing of the merger, OpCo will own and operate Pinnacle s fifteen facilities, of which fourteen properties will be subject to the Master Lease, and OpCo will own Belterra Park and certain excess land not acquired by GLPI. OpCo will operate the gaming facilities acquired by GLPI under a triple-net 10-year master lease agreement that will have five subsequent, five-year extension periods at OpCo s option. OpCo will pay an initial annual aggregate rent payment of $377 million to GLPI. The consummation of the merger is subject to customary conditions, including without limitation, receipt of regulatory approvals and the approval by stockholders of GLPI and Pinnacle.

Table of Contents

In connection with the transactions contemplated by the Merger Agreement, including the Spin-Off, to provide us with the debt financing required to consummate the proposed transactions, Pinnacle has entered into two commitment letters, the Bridge Commitment Letter and a Takeout Commitment Letter, which are described below, and will utilize the funding from either the Bridge Commitment Letter or the Takeout Commitment Letter (but not both).

Pursuant to the Bridge Commitment Letter, Pinnacle received commitments for an aggregate principal amount of $1.1 billion in financing, comprised of a $900 million senior secured 364-day term loan bridge facility and a $200 million senior secured 364-day revolving credit facility (together, the Bridge Facilities).

Pursuant to the Takeout Commitment Letter, Pinnacle received commitments for an aggregate principal amount of $585 million in financing, comprised of a (i) $185 million senior secured term loan A facility (the Term Loan A Facility) and (ii) $400 million senior secured revolving credit facility (together, the Committed Takeout Facilities). The lenders under the Takeout Commitment Letter have also agreed to use their commercially reasonable efforts to syndicate a $350 million senior secured term loan B facility (the Term Loan B Facility), which may, at OpCo s election, be increased or decreased by up to $125 million in connection with the issuance of senior unsecured notes to finance a portion of the transactions (together with the Committed Takeout Facilities, the Takeout Facilities), as further described in the Takeout Commitment Letter.

As noted in the Takeout Commitment Letter, it is anticipated that OpCo will also issue senior unsecured notes (the Senior Notes) in an aggregate principal amount of $300 million to provide a portion of the debt financing required by Pinnacle to consummate the transactions. The principal amount of the Senior Notes may, at OpCo s election, be increased or decreased by up to $125 million, as further described in, and in accordance with the terms of, the Takeout Commitment Letter. Both the issuance of the Senior Notes and the receipt by the Takeout Commitment Parties of commitments from lenders for the Term Loan B Facility, in each case, on or prior to the closing date of the merger, are conditions to the availability of the Takeout Facilities.

The Senior Notes are only contemplated in connection with the Takeout Commitment Letter. Depending on market conditions at the time of closing of the transaction with GLPI, PropCo intends to use the financing under the Takeout Commitment Letter to consummate the proposed transactions with GLPI.

Note 3. Notes to Unaudited Pro Forma Condensed Consolidated Balance Sheet as of September 30, 2015

The unaudited pro forma condensed consolidated balance sheet presented above reflects the following specific adjustments:

(a) Represents the gross cash proceeds received utilizing the debt financing pursuant to the Takeout Commitment Letter along with the issuance of Senior Notes, which is OpCo s intention, and the associated current and long-term debt balances. The OpCo debt structure includes the following:

(dollars in thousands)		Estimated Proceeds
Revolving Credit Facility (total borrowing capacity of $400,000)	$	188,858
Term Loan A Facility		185,000
Term Loan B Facility		350,000

Senior Notes		300,000
Total	$	1,023,858

To the extent that OpCo utilizes the debt financing pursuant to the Bridge Commitment Letter, instead of the Takeout Facilities and Senior Notes, the entire debt balance would be classified as current since the Bridge Facilities mature in 364 days from funding.

(b) Represents the debt issuance costs and original issuance discount on the Revolving Credit Facility, Term Loans, and the Senior Notes.

Table of Contents

(c) Represents the cash outflow for the payment of estimated transaction expenses required to close the transaction including commitment fees under the Bridge Commitment Letter, net of reimbursements.
(d) Represents the cash outflow for the OpCo cash contribution to pay off a portion of Pinnacle s existing indebtedness and accrued interest assumed by Merger Sub pursuant to the Merger Agreement.
(e) Represents the removal of certain insurance policies that will be acquired by Merger Sub.
(f) Represents the adjustments to deferred tax assets and deferred tax liabilities as a result of the transaction. The adjustments assume that OpCo will recognize a valuation allowance that offsets deferred tax assets for all jurisdictions except for certain states that are more likely than not to be realized.
(g) Represents OpCo s best estimate of the non-cash impairment of other intangible assets (consisting of trade names and gaming licenses) based on OpCo s preliminary valuation testing. Indefinite-lived intangibles are tested for impairment annually, or more frequently if indicators of impairment exist. OpCo indefinite-lived intangible assets were tested for impairment as the transaction with GLPI is a significant OpCo (the accounting spinnor) financial restructuring event that increases OpCo s cash flow obligations in connection with the Master Lease, which OpCo concluded represents an indicator that impairment may exist. The fair value of the gaming licenses and trade names were determined using a discounted cash flow valuation approach.

Goodwill is also tested for impairment annually, or more frequently if indicators of impairment exist. Under the same basis for performing impairment testing of indefinite-lived intangible assets, OpCo performed a preliminary Step 1 goodwill impairment test under ASC 350 for all OpCo reporting units with goodwill balances. The Step 1 goodwill fair value was determined using a weighted combination of a discounted cash flow approach and a market approach. One OpCo reporting unit failed Step 1 of the goodwill impairment test. As of September 30, 2015, the carrying amount of goodwill at this reporting unit was $46.5 million. OpCo has not yet completed Step 2 of the goodwill impairment test for this reporting unit and accordingly, OpCo has been unable to reasonably estimate a goodwill impairment charge, if any, that would be reflected in the unaudited pro forma condensed consolidated balance sheet as of September 30, 2015. OpCo s impairment tests will be finalized in connection with the completion of the transaction, which may result in an impairment of goodwill and revisions to OpCo s preliminary estimate of impairment of other intangible assets.

The impairment testing of goodwill and indefinite-lived intangible assets requires the use of estimates about future operating results of each OpCo reporting unit. In addition, other assumptions, such as OpCo s cost of capital, tax rates, capital expenditures, depreciation, working capital, and risk premiums were utilized in OpCo s estimates of fair value. Changes in estimates or the application of alternative assumptions may produce significantly different results.

(h) Represents the removal of unamortized debt issuance costs associated with the historical debt assumed by Merger Sub.
(i) Represents the removal of accrued interest associated with the historical debt assumed by Merger Sub.
(j) Represents the removal of current and long-term portions of the principal debt outstanding and concurrently refinanced assumed by Merger Sub. OpCo will pay to PropCo a cash payment equal to the amount of existing Pinnacle debt at the time of the distribution, less $2.7 billion of debt assumed by Merger Sub, subject to certain adjustments, as referred to in adjustment d.
(k) Represents the current and long-term portions of the financing obligation associated with the Triple Net Master Lease Agreement with GLPI. The financing obligation has been calculated as the present value of

future minimum lease payments over the 35-year lease term discounted using an incremental borrowing rate of 12%. OpCo s determination of the incremental borrowing rate was based on an estimated rate the Company would incur on debt obtained over a similar term for the specific purpose of acquiring the leased assets. In developing this rate, OpCo looked at Pinnacle s current borrowing rates and observable market yield curve data for comparably rated borrowings in an effort to account for the duration of the 35-year lease term. OpCo utilized current observable market data for 7 to 8 year rates and adjusted estimated risk premium to account for the duration of the lease. For illustrative purposes, (i) in the event the incremental borrowing rate were 14%, then the pro forma adjustments for

Table of Contents

the current portion of the long-term financing obligation and the long-term financing obligation less current portion would be $2.7 million and $2.4 billion, respectively, and (ii) in the event the incremental borrowing rate were 10%, then the pro forma adjustments for the current portion of the long-term financing obligation and the long-term financing obligation less current portion would be $10.5 million and $3.3 billion, respectively.

(l) Represents the removal of unamortized original issuance premium, net of discounts associated with the outstanding debt assumed by Merger Sub.

(m) Represents the removal of historical Pinnacle common stock.

(n) Represents the addition of newly-issued OpCo common stock.

(o) This adjustment to additional paid-in capital is the result of the following other adjustments (amounts in thousands):

Cash outflow for OpCo cash contribution (see Note (d))	$ (961,103)
Removal of current and long-term portions of prepaid insurance policies (see Note (e))	(426)
Reflects adjustments to deferred tax assets and deferred tax liabilities (see Note (f))	226,128
Removal of historical unamortized debt issuance costs (see Note (h))	(37,068)
Removal of accrued interest (see Note (i))	69,855
Removal of current and long-term portions of historical debt at principal amount (see Note (j))	3,641,202
Recognition of current and long-term portions of financing obligation (see Note (k))	(2,780,892)
Removal of historical unamortized original issuance premium, net of discounts (see Note (l))	35,730
Removal of historical Pinnacle common stock (see Note (m))	6,724
Addition of newly-issued OpCo common stock (see Note (n))	(609)
Total additional paid-in capital	$ 199,541

For illustrative purposes, (i) in the event the incremental borrowing rate were 14%, then the pro forma adjustment for additional paid-in capital would be $574,329 and (ii) in the event the incremental borrowing rate were 10%, then the pro forma adjustment for additional paid-in capital would be $(299,275).

(p) Represents the removal of the historical treasury stock of Pinnacle, which will be canceled as part of this transaction.

Note 4. Notes to Unaudited Pro Forma Condensed Consolidated Statement of Continuing Operations for the nine months ended September 30, 2015

The unaudited pro forma condensed consolidated statement of continuing operations presented above reflects the following specific adjustments:

(a) Represents the removal of amortization on insurance policies, which are assumed by Merger Sub.

(b) Represents the removal of restructuring costs that were incurred during the nine months ended September 30, 2015 to complete the Spin-off and the Merger.

(c) Represents the removal of interest expense associated with the historical debt to be refinanced.

(d) Represents the interest expense associated with the debt expected to be incurred under the proposed OpCo debt structure, including the amortization of debt issuance costs and original issuance discount. The pro forma interest expense arising from these debt instruments has been computed using assumed rates, which on a weighted-average principal outstanding basis is 4.68%. Additionally, it is assumed that the Revolving Credit Facility carries a 0.50% fee for unused borrowing capacity, less outstanding letters of credit. Each 1/8th% change in the assumed rates on these debt instruments would result in a total change in consolidated interest expense of $0.7 million for the nine months ended September 30, 2015. To the extent that OpCo utilizes the debt financing pursuant to the Bridge Commitment Letter, instead of the Takeout Facilities and any Senior Notes, interest expense would decrease by approximately $9.8 million; however, depending on the amount of time that the Bridge Facilities are outstanding, OpCo would incur duration fees that escalate every 90 days through maturity, which would total approximately $24.8 million if the Bridge Facilities were outstanding for 270 days or more. Further, OpCo would incur additional fees to refinance the Bridge Facilities with a permanent capital structure, which are similar in amount to what OpCo would expect to incur under its current plan to utilize the Takeout Facilities.

(e) Represents the interest expense associated with the financing obligation related to the leased real estate assets. Interest expense has been determined by utilizing an incremental borrowing rate of 12%. For illustrative purposes, (i) in the event the incremental borrowing rate were 14%, then the pro forma adjustment for interest expense associated with the financing obligation related to the leased real estate assets would be $249.6 million and (ii) in the event the incremental borrowing rate were 10%, then the pro forma adjustment for interest expense associated with the financing obligation related to the leased real estate assets would be $243.8 million.

(f) Represents the income tax expense effect of the transaction assuming the Master Lease is treated as an operating lease for tax purposes with OpCo being subject to a full valuation allowance.

Note 5. Notes to Unaudited Pro Forma Condensed Consolidated Statement of Continuing Operations for the year ended December 31, 2014

The unaudited pro forma condensed consolidated statement of continuing operations presented above reflects the following specific adjustments:

(a) Represents the removal of amortization on insurance policies, which are assumed by Merger Sub.

(b) Represents the removal of restructuring costs that were incurred during 2014 to complete the Spin-off and the Merger.

(c) Represents the removal of interest expense associated with the historical debt to be refinanced.

(d) Represents the interest expense associated with the debt expected to be incurred under the proposed OpCo debt structure, including the amortization of debt issuance costs and original issuance discount. The pro forma interest expense arising from these debt instruments has been computed using assumed rates, which on a weighted-average principal outstanding basis is 4.68%. Additionally, the Revolving Credit Facility carries a 0.50% fee for unused borrowing capacity, less outstanding letters of credit. Each 1/8th% change in the assumed rates on these debt instruments would result in a total change in consolidated interest expense of $1.0 million for the year ended December 31, 2014. To the extent that OpCo utilizes the debt financing pursuant to the Bridge Commitment Letter, instead of the Takeout Facilities and any Senior Notes, interest expense would decrease by approximately $11.4 million; however, depending on the amount of time that the Bridge Facilities are outstanding, OpCo would incur duration fees that escalate every 90 days through maturity, which would total approximately $24.8 million if the Bridge Facilities were outstanding for 270 days or more. Further, OpCo would incur additional fees to refinance the Bridge Facilities with a permanent capital structure, which are similar in amount to what OpCo would expect to incur under its current plan to utilize the Takeout Facilities.

(e) Represents the interest expense associated with the financing obligation related to the leased real estate assets. Interest expense has been determined by utilizing an incremental borrowing rate of 12%. For illustrative purposes, (i) in the event the incremental borrowing rate were 14%, then the pro forma adjustment for interest expense associated with the financing obligation related to the leased real estate assets would be $332.8 million and (ii) in the event the incremental borrowing rate were 10%, then the pro forma adjustment for interest expense associated with the financing obligation related to the leased real estate assets would be $325.0 million.

(f) Represents the removal of the loss on early extinguishment of historical Pinnacle debt not associated with the proposed OpCo debt.
(g) Represents the income tax expense effect of the transaction assuming the Master Lease is treated as an operating lease for tax purposes with OpCo being subject to a full valuation allowance.

Table of Contents

DESCRIPTION OF GLPI CAPITAL STOCK

The following description of the material terms of GLPI s capital stock is a summary only. Following completion of the transactions, the rights of the holders of GLPI common stock will be governed by the PBCL, the amended and restated articles of incorporation of GLPI (referred to in this joint proxy statement/prospectus as the GLPI articles) and the amended and restated bylaws of GLPI (referred to in this joint proxy statement/prospectus as the GLPI bylaws). Copies of the GLPI articles and the GLPI bylaws have been filed as Exhibits to GLPI s Annual Report on Form 10-K for the year ended December 31, 2014, as amended by Amendment No. 1 thereto on Form 10-K/A, and are incorporated by reference into this joint proxy statement/prospectus. See also Where You Can Find More Information. The following description is qualified by reference to the relevant provisions of the GLPI articles and the GLPI bylaws, and GLPI and Pinnacle urge you to read the GLPI articles and the GLPI bylaws carefully and in their entirety.

General

Under the GLPI articles, GLPI is authorized to issue 500,000,000 shares of common stock, par value $0.01, and 50,000,000 shares of preferred stock, par value $0.01. As of February 8, 2016, there were 117,265,314 shares of GLPI common stock (including restricted shares entitled to vote) and no shares of GLPI preferred stock issued and outstanding. In this joint proxy statement/prospectus, GLPI common stock and GLPI preferred stock are collectively referred to as GLPI stock.

GLPI Stock

Voting Rights

Each holder of GLPI common stock has one vote per share of GLPI common stock held of record on the applicable record date on all matters voted upon by the stockholders of GLPI, including the election of directors. See Comparison of Rights of Common Shareholders of GLPI and Common Stockholders of Pinnacle.

Restrictions on Ownership and Transfer

In order for GLPI to qualify to be taxed as a REIT under the Code, shares of GLPI stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months (other than the first year for which an election to qualify to be taxed as a REIT has been made) or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of the outstanding shares of GLPI stock (after taking into account options to acquire shares of stock) may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities such as qualified pension plans) during the last half of a taxable year (other than the first year for which an election to be a REIT has been made). In addition, rent from related party tenants (generally, a tenant of a REIT owned, actually or constructively, 10% or more by the REIT, or a 10% owner of the REIT) is not qualifying income for purposes of the gross income tests under the Code. To qualify to be taxed as a REIT, GLPI must satisfy other requirements as well.

The GLPI articles contain restrictions on the ownership and transfer of its stock that are intended to assist GLPI in complying with REIT requirements. The GLPI articles provide that, subject to the exceptions described below, no person or entity may own, or be deemed to own, beneficially or by virtue of the applicable constructive ownership provisions of the Code, more than 7% of the outstanding shares of GLPI common stock (the common stock ownership limit) or more than 7% in value or in number, whichever is more restrictive, of the outstanding shares of all classes or series of GLPI stock (the aggregate stock ownership limit). The common stock ownership limit and the aggregate stock ownership limit are collectively referred to in this joint proxy statement/prospectus as the ownership limits. The person or entity that, but for operation of the ownership limits or another restriction on ownership and transfer of GLPI stock as described below, would beneficially own or constructively own shares of GLPI stock in violation of such limits or restrictions or, if appropriate in the context, a person or entity that would have been the record owner of such shares of GLPI stock is referred to as a prohibited owner.

Table of Contents

The constructive ownership rules under the Code are complex and may cause stock owned beneficially or constructively by a group of related individuals and/or entities to be owned beneficially or constructively by one individual or entity. As a result, the acquisition of less than 7% of the outstanding shares of GLPI common stock or less than 7% in value or in number, whichever is more restrictive, of the outstanding shares of all classes and series of GLPI stock (or the acquisition by an individual or entity of an interest in an entity that owns, beneficially or constructively, shares of GLPI stock) could, nevertheless, cause that individual or entity, or another individual or entity, to own beneficially or constructively shares of GLPI stock in excess of the ownership limits. In addition, a person that did not acquire more than 7% of GLPI s outstanding stock may become subject to these restrictions if repurchases by GLPI cause such person s holdings to exceed 7% of GLPI s outstanding stock.

Under the GLPI articles, the GLPI board of directors may exempt, prospectively or retroactively, a particular shareholder from the ownership limits or establish a different limit on ownership (the excepted holder limit) if:

- no individual s beneficial or constructive ownership of GLPI stock will result in GLPI being closely held under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or otherwise failing to qualify to be taxed as a REIT; and

- such shareholder does not and represents that it will not own, actually or constructively, an interest in a tenant of GLPI (or a tenant of any entity owned or controlled by GLPI) that would cause GLPI to own, actually or constructively, more than a 9.9% interest (as set forth in Section 856(d)(2)(B) of the Code) in such tenant (or GLPI s board of directors determines that revenue derived from such tenant will not affect GLPI s ability to qualify to be taxed as a REIT).

As a condition of granting the waiver or establishing the excepted holder limit, the GLPI board of directors may require an opinion of counsel or a ruling from the IRS, in either case in form and in substance satisfactory to the GLPI board of directors (in its sole discretion) in order to determine or ensure GLPI s status as a REIT and such representations and undertakings from the person requesting the exception as the GLPI board of directors may require (in its sole discretion) to make the determinations above. The GLPI board of directors may impose such conditions or restrictions as it deems appropriate in connection with granting such a waiver or establishing an excepted holder limit.

The GLPI board of directors may, from time to time, increase or decrease the common stock ownership limit, the aggregate stock ownership limit or both, for all other persons, unless, after giving effect to such increase, five or fewer individuals could beneficially own, in the aggregate, more than 49.9% in value of GLPI s outstanding stock. A reduced ownership limit will not apply to any person or entity whose percentage ownership of GLPI common stock or GLPI stock of all classes and series, as applicable, is, at the effective time of such reduction, in excess of such decreased ownership limit until such time as such person s or entity s percentage ownership of GLPI common stock or GLPI stock of all classes and series, as applicable, equals or falls below the decreased ownership limit, but any further acquisition of shares of GLPI common stock or stock of all other classes or series, as applicable, will violate the decreased ownership limit.

The GLPI articles further prohibit:

- any person from beneficially or constructively owning shares of GLPI stock that would result in GLPI being closely held under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or otherwise cause GLPI to fail to qualify to be taxed as a REIT;

any person from transferring shares of GLPI stock if the transfer would result in shares of GLPI stock being beneficially owned by fewer than 100 persons (determined with reference to the rules of attribution under Section 544 of the Code); and

any person from constructively owning shares of GLPI stock to the extent that such constructive ownership would cause any of GLPI s income that would otherwise qualify as rents from real property for purposes of Section 856(d) of the code to fail to qualify as such.

Table of Contents

Any person who acquires or attempts or intends to acquire beneficial or constructive ownership of shares of GLPI stock that will or may violate the ownership limits or any of the other restrictions on ownership and transfer of GLPI stock described above, or who would have owned shares of GLPI stock transferred to the charitable trust described below, must immediately give notice to GLPI of such event or, in the case of an attempted or proposed transaction, give GLPI at least 15 days prior written notice and provide GLPI with such other information as it may request in order to determine the effect of such transfer on its status as a REIT. The foregoing restrictions on ownership and transfer of GLPI stock will not apply if the GLPI board of directors determines that it is no longer in GLPI s best interests to attempt to qualify, or to continue to qualify, to be taxed as a REIT or that compliance with the restrictions and limits on ownership and transfer of GLPI stock described above is no longer required in order for GLPI to qualify to be taxed as a REIT.

If any transfer of shares of GLPI stock or any other event would result in any person violating the ownership limits or any other restriction on ownership and transfer of GLPI shares described above then that number of shares (rounded up to the nearest whole share) that would cause the violation will be automatically transferred to, and held by, a trust for the benefit of one or more charitable organizations selected by GLPI, and the intended transferee or other prohibited owner will acquire no rights in the shares. The automatic transfer will be effective as of the close of business on the business day prior to the date of the violative transfer or other event that results in a transfer to the trust. If the transfer to the trust as described above would not be effective, for any reason, to prevent violation of the applicable ownership limits or any other restriction on ownership and transfer of GLPI shares described above, then the transfer of the shares will be null and void and the intended transferee will acquire no rights in such shares.

Shares of GLPI stock held in the trust will continue to be issued and outstanding shares. The prohibited owner will not benefit economically from ownership of any shares of GLPI stock held in the trust and will have no rights to distributions and no rights to vote or other rights attributable to the shares of GLPI stock held in the trust. The trustee of the trust will exercise all voting rights and receive all distributions with respect to shares held in the trust for the exclusive benefit of the charitable beneficiary of the trust. Any distribution made before GLPI s discovery that the shares have been transferred to a trust as described above must be repaid by the recipient to the trustee upon demand. Subject to Pennsylvania law, effective as of the date that the shares have been transferred to the trust, the trustee will have the authority to rescind as void any vote cast by a prohibited owner before GLPI s discovery that the shares have been transferred to the trust and to recast the vote in accordance with the desires of the trustee acting for the benefit of the charitable beneficiary of the trust. However, if GLPI has already taken irreversible corporate action, then the trustee may not rescind and recast the vote.

Shares of GLPI stock transferred to the trustee will be deemed offered for sale to GLPI, or its designee, at a price per share equal to the lesser of (i) the market price of the shares on the day of the event causing the shares to be held in the trust, or (ii) the market price on the date GLPI, or its designee, accepts such offer. GLPI may reduce the amount so payable to the prohibited owner by the amount of any distribution that GLPI made to the prohibited owner before it discovered that the shares had been automatically transferred to the trust and that are then owed by the prohibited owner to the trustee as described above, and GLPI may pay the amount of any such reduction to the trustee for the benefit of the charitable beneficiary. GLPI will have the right to accept such offer until the trustee has sold the shares of GLPI stock held in the trust as discussed below. Upon a sale to GLPI, the interest of the charitable beneficiary in the shares sold will terminate, and the trustee must distribute the net proceeds of the sale to the prohibited owner and must distribute any distributions held by the trustee with respect to such shares to the charitable beneficiary.

If GLPI does not buy the shares, the trustee must, within 20 days of receiving notice from GLPI of the transfer of shares to the trust, sell the shares to a person or entity designated by the trustee who could own the shares without violating the ownership limits or the other restrictions on ownership and transfer of GLPI stock. After the sale of the shares, the interest of the charitable beneficiary in the shares sold will terminate and the trustee must distribute to the prohibited owner an amount equal to the lesser of (i) the market price of the shares on the day of the event causing the shares to be held in the trust and (ii) the sales proceeds (net of any commissions and other expenses of sale) received by the trust for the shares. The trustee may reduce the amount payable to the prohibited owner by the amount of any distribution that GLPI paid to the prohibited owner before GLPI discovered that the shares had been automatically transferred to the trust and that are then owed by the prohibited owner to the trustee as described above. Any net sales proceeds in excess of the amount payable to the prohibited owner must be paid immediately to the charitable beneficiary, together with any distributions thereon. In addition, if prior to the discovery by GLPI that shares of stock have been transferred to a trust, such shares of stock are sold by a prohibited owner, then such shares will be deemed to have been sold on behalf of the trust and, to the extent that the prohibited owner received an amount for such shares that exceeds the amount that such prohibited owner was entitled to receive, such excess amount will be paid to the trustee upon demand. The prohibited owner will have no rights in the shares held by the trustee.

In addition, if GLPI s board of directors determines in good faith that a transfer or other event has occurred that would violate the restrictions on ownership and transfer of GLPI stock described above or that a person or entity intends to acquire or has attempted to acquire beneficial or constructive ownership of any shares of GLPI stock in violation of the restrictions on ownership and transfer of GLPI stock described above, GLPI s board of directors may take such action as it deems advisable to refuse to give effect to or to prevent such transfer or other event, including, but not limited to, causing GLPI to redeem shares of GLPI stock, refusing to give effect to the transfer of GLPI s books or instituting proceedings to enjoin the transfer or other event.

Every person or entity who will be a beneficial owner or constructive owner of more than 5% (or such lower percentage as required by the Code or the regulations promulgated thereunder) of GLPI stock, within 30 days after the end of each taxable year, must give GLPI written notice stating the shareholder s name and address, the number of shares of each class and series of GLPI stock that the shareholder beneficially or constructively owns and a description of the manner in which the shares are held. Each such owner must provide to GLPI such additional information as GLPI may request in order to determine the effect, if any, of the shareholder s beneficial ownership on GLPI s status as a REIT and to ensure compliance with the applicable ownership limits. In addition, any person or entity that will be a beneficial owner or constructive owner of shares of GLPI stock and any person or entity (including the shareholder of record) who will be holding shares of GLPI stock for a beneficial owner or constructive owner must provide to GLPI such information as GLPI may request in good faith in order to determine GLPI s status as a REIT and to comply with the requirements of any governmental or taxing authority or to determine such compliance and to ensure compliance with the ownership limits.

Any certificates representing shares of GLPI stock will bear a legend referring to the restrictions on ownership and transfer of GLPI stock described above.

The restrictions on ownership and transfer of GLPI stock described above could delay, defer or prevent a transaction or a change in control that might involve a premium price for GLPI common stock or otherwise be in the best interests of GLPI shareholders.

Redemption of Securities Owned or Controlled by an Unsuitable Person or Affiliate

All of GLPI s outstanding capital stock shall be held subject to applicable gaming laws. To assist GLPI in complying with applicable gaming laws, the GLPI articles contain certain provisions with respect to ownership of GLPI stock by unsuitable persons. For a more detailed description of these restrictions in the GLPI articles, see Comparison of Rights of Common Shareholders of GLPI and Common Stockholders of Pinnacle.

Dividend Rights

Subject to prior dividend rights of the holders of any preferred shares and transfer restrictions in the GLPI articles, holders of GLPI common stock will be entitled to receive dividends when, and if declared by its board of directors out of funds legally available for that purpose. As a REIT, in no event will GLPI s annual dividend be

Table of Contents

less than 90% of its REIT taxable income on an annual basis, determined without regard to the dividends paid deduction and excluding any net capital gains. U.S. federal income tax law generally requires that a REIT distribute annually at least 90% of its REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains, and that it pay regular corporate rates to the extent that it annually distributes less than 100% of its taxable income.

Liquidation and Other Rights

In the event of any liquidation, dissolution or winding up of GLPI, after the satisfaction in full of the liquidation preferences of holders of any preferred shares, holders of shares of GLPI common stock will be entitled to ratable distribution of the remaining assets available for distribution to shareholders. Holders of shares of GLPI common stock generally have no preference, conversion, exchange, sinking fund or redemption rights and have no preemptive rights to subscribe for any of GLPI s securities. Subject to the restrictions in the GLPI articles on ownership and transfer of shares of GLPI common stock, holders of shares of GLPI s common stock will have equal dividend, liquidation and other rights.

Exchange Listing

GLPI common stock is listed on NASDAQ and traded under the symbol GLPI.

Transfer Agent and Registrar

The transfer agent and registrar for GLPI common stock is Continental Stock Transfer & Trust.

Table of Contents

COMPARISON OF RIGHTS OF COMMON SHAREHOLDERS OF GLPI AND COMMON STOCKHOLDERS OF PINNACLE

GLPI is incorporated in Pennsylvania and Pinnacle is incorporated in Delaware. Your rights as a Pinnacle stockholder are governed by the DGCL, the Pinnacle restated certificate of incorporation, as amended, and the Pinnacle restated bylaws (the Pinnacle bylaws). Upon completion of the merger, as a GLPI shareholder your rights will be governed by the PBCL, the GLPI articles and the GLPI bylaws. The following is a summary of the material differences between the rights of holders of GLPI common stock or preferred stock and the rights of holders of Pinnacle common stock or preferred stock, but does not purport to be a complete description of those differences. These differences may be determined in full by reference to the PBCL, the DGCL, the GLPI articles, the Pinnacle restated certificate of incorporation, as amended, the GLPI bylaws and the Pinnacle bylaws. The GLPI articles, the Pinnacle restated certificate of incorporation, as amended, the GLPI bylaws, and the Pinnacle bylaws are subject to amendment in accordance with their terms. Copies of the governing corporate instruments are available, without charge, to any person, including any beneficial owner to whom this document is delivered, by following the instructions listed under Where You Can Find More Information.

Pinnacle	GLPI
AUTHORIZED CAPITAL STOCK	
Authorized Shares. Pinnacle is authorized under its restated certificate of incorporation, as amended, to issue 150,000,000 shares of common stock, par value $0.10 per share, and 250,000 shares of preferred stock, par value $1.00 per share.	*Authorized Shares.* GLPI is authorized under the GLPI articles to issue 500,000,000 shares of common stock, par value $0.01 per share, and 50,000,000 shares of preferred stock, par value $0.01 per share.
Preferred Stock. The PNK board of directors has designated 100,000 shares of its authorized preferred stock as Series A Junior Participating Preferred Stock. The PNK board may issue the Series A Junior Participating Preferred Stock. As of February 8, 2016, no shares of its preferred stock were issued or outstanding. In addition, Pinnacle s restated certificate of incorporation, as amended, permits the Pinnacle board of directors to, without stockholder approval, to determine or alter, without limitation or restriction, the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of preferred stock and the restrictions and limitations of each series to be determined by it. Any undesignated preferred stock issued by Pinnacle may rank prior to Pinnacle common stock in the event voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the corporation.	*Preferred Stock.* Under the GLPI articles, the GLPI board of directors may, from time to time and without shareholder approval, establish and cause GLPI to issue one or more classes or series of preferred stock and set the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications, or terms or conditions of redemption of such classes or series.

TRANSFER RESTRICTIONS

Pinnacle s restated certificate of incorporation, as amended, and the Pinnacle bylaws do not contain any comparable provisions.	In order for GLPI to qualify to be taxed as a REIT under the Code, it must meet certain requirements. The GLPI articles contain restrictions on the ownership and transfer of its stock that assist GLPI in complying with these requirements. For a more

184

Table of Contents

Pinnacle	GLPI
	detailed description of the transfer restriction in the GLPI articles, see Description of GLPI Capital Stock.

REDEMPTION OF SECURITIES OWNED OR CONTROLLED BY AN UNSUITABLE PERSON

Pinnacle	GLPI
Pinnacle s restated certificate of incorporation, as amended, requires that if a person owns or controls Pinnacle s securities or the securities of any of Pinnacle s affiliates and is determined by a gaming authority to be unsuitable to own or control such securities or unsuitable to be connected with a person engaged in gaming activities in that gaming jurisdiction, or who causes Pinnacle or any of Pinnacle s affiliates to lose or to be threatened with the loss of, or in the sole discretion of the Pinnacle board of directors, is deemed likely to jeopardize Pinnacle s right to conduct gaming activities in any of the jurisdictions in which it conducts or intends to conduct gaming activities, Pinnacle may redeem, and Pinnacle may be required by a gaming authority to redeem, such person s securities to the extent required by the government gaming authority or deemed necessary or advisable by Pinnacle. If a gaming authority requires Pinnacle, or if the Pinnacle board of directors deems it necessary or advisable, to redeem such securities, Pinnacle will serve notice on the holder who holds securities subject to redemption. Such redemption notice shall set forth the redemption date, the number of shares of securities to be redeemed, the redemption price and the manner of payment therefore, the place where certificates for such shares shall be surrendered for payment, and any other requirements of surrender of the certificates, including how they are to be endorsed, if at all. The redemption price will be equal to that required to be paid by the gaming authority making the finding of unsuitability, or if such gaming authority does not require a certain price per share to be paid, a sum deemed reasonable by the Pinnacle board of directors, which in its discretion may be the original purchase price. The redemption price may be paid in cash, by promissory note, or both, as required by the applicable gaming authority and, if not so required, as the Pinnacle board of directors elects. Unless	Under the GLPI articles, all outstanding GLPI stock is subject to applicable gaming laws. Any person owning or controlling at least 5% of any outstanding GLPI stock is required to promptly notify GLPI of such person s identity. If such person is an unsuitable person (as defined below) or an affiliate of an unsuitable person, then GLPI can redeem such person s GLPI stock out of funds legally available for that redemption, to the extent required by the gaming authorities making the determination of unsuitability or to the extent determined to be necessary or advisable by the GLPI board of directors. From and after the redemption date, the securities will not be considered outstanding and all rights of the unsuitable person or affiliate will cease, other than the right to receive the redemption price. The redemption price with respect to any securities to be redeemed will be the price, if any, required to be paid by the gaming authority making the finding of unsuitability or if the gaming authority does not require a price to be paid (including if the finding of unsuitability is made by the GLPI board of directors alone), the lesser of (i) the market price on the date of the redemption notice, (ii) the market price on the redemption date or (iii) the actual amount paid by the owner thereof, in each case less a discount in a percentage (up to 100%) to be determined by the GLPI board of directors in its sole and absolute discretion. The redemption price may be paid in cash, by promissory note, or both, as required by the applicable gaming authority and, if not, as determined by GLPI. The GLPI articles also provide that GLPI stock that is owned or controlled by an unsuitable person or an affiliate of an unsuitable person will be transferred to a trust for the benefit of a designated charitable beneficiary, and that any such unsuitable person or affiliate will not be entitled to any dividends on the shares or be entitled to vote the shares or receive any proceeds from the subsequent sale of the shares in

the gaming authority requires otherwise, the redemption price will in no event exceed: (1) the closing sales price of the securities on the national securities exchange on which such shares are then listed on the date the notice of redemption is excess of the lesser of the price paid by the unsuitable person or affiliate for the shares or the amount realized from the sale, in each case less a discount in

Table of Contents

Pinnacle	GLPI
delivered to the person who has been determined to be unsuitable, or, (2) if such shares are not then listed for trading on any national securities exchange, then the closing sales price of such shares as quoted in the NASDAQ National Market System, or (3) if the shares are not then so quoted, then the mean between the representative bid and the ask price as quoted by NASDAQ or another generally recognized reporting system.	a percentage (up to 100%) to be determined by the GLPI board of directors in its sole and absolute discretion.
Beginning on the date that a gaming authority serves notice of a determination of unsuitability or the loss or threatened loss of a gaming license upon Pinnacle, and until the securities owned or controlled by the unsuitable person are owned or controlled by persons found by such gaming authority to be suitable to own them, it shall be unlawful for the unsuitable person or any affiliate of such person (i) to receive any dividend, payment, distribution or interest with regard to the securities, (ii) to exercise, directly or indirectly or through any proxy, trustee, or nominee, any voting or other right conferred by such securities, and such securities shall not for any purposes be included in Pinnacle s securities entitled to vote, or (iii) to receive any remuneration in any form from Pinnacle or an affiliate for services rendered or otherwise.	The GLPI articles require any unsuitable person and any affiliate of an unsuitable person to indemnify GLPI and its affiliated companies for any and all costs, including attorneys fees, incurred by GLPI and its affiliated companies as a result of the unsuitable person s ownership or control or failure to promptly divest itself of any securities of GLPI when and in the specific manner required by a gaming authority or the GLPI charter.
From and after the date on which the gaming authority determines that the securities are subject to redemption, such securities will no longer be permitted to receive any dividend, payment, distribution or interest with regard to the securities;,(ii) to exercise, directly or indirectly or through any proxy, trustee, or nominee, any voting or other right conferred by such securities, and such securities shall not for any purposes be included in the securities of the corporation entitled to vote, or (iii) to receive any remuneration in any form from Pinnacle or any of Pinnacle s affiliates for services rendered or otherwise. Additionally, such securities will no longer deemed to be outstanding and all rights of the person who was determined to be unsuitable, other than the right to receive the redemption price, will cease. Such person must surrender the certificates for any securities to be redeemed in accordance with the requirements of the redemption notice.	The unsuitable person means a person who (i) fails or refuses to file an application, or has withdrawn or requested the withdrawal of a pending application, to be found suitable by any gaming authority or for any gaming license; (ii) is denied or disqualified from eligibility for any gaming license by any gaming authority; (iii) is determined by a gaming authority to be unsuitable or disqualified to own or control any GLPI stock; (iv) is determined by a gaming authority to be unsuitable to be affiliated, associated or involved with a person engaged in gaming activities, (v) causes any gaming license of GLPI or its affiliate to be lost, rejected, rescinded, suspended, revoked or not renewed by any gaming authority, or causes GLPI or its affiliate to be threatened by any gaming authority with the loss, rejection, rescission, suspension, revocation or nonrenewal of any gaming license (in each of (ii) through (v), regardless of whether such denial, disqualification or determination by a gaming authority is final and/or nonappealable), or (vi) is deemed likely, in the sole and absolute discretion of the GLPI board of directors, to (A) preclude or materially delay, impede, impair, threaten or jeopardize any gaming license held by GLPI or its affiliates or GLPI s or any of its affiliates application for, right to the use of, entitlement to, or ability to obtain or retain, any gaming license, (B) cause or otherwise result in, the disapproval, cancellation, termination, material adverse

All persons owning or controlling securities of Pinnacle and any affiliate must comply with all requirements of the gaming laws in each gaming jurisdiction in which Pinnacle or any affiliate conducts or intends to conduct gaming activities. All securities of Pinnacle must be

modification or nonrenewal of any material contract to which GLPI or its affiliates is a party, or (C) cause or otherwise result in the imposition of any materially burdensome or unacceptable terms or conditions on any gaming license of the GLPI or its affiliate.

Table of Contents

Pinnacle	GLPI
held subject to the requirements of such gaming laws, including any requirement that (i) the holder file applications for gaming licenses with, or provide information to, applicable gaming authorities, or (ii) that any transfer of such securities may be subject to prior approval by gaming authorities, and any transfer of Pinnacle s securities in violation of any such approval requirement are not permitted and the purported transfer is null and void.	
Pinnacle may not issue or transfer any securities or any interest, claim or charge thereon or thereto except in accordance with applicable gaming laws. The issuance or transfer of any securities in violation of gaming laws are ineffective until Pinnacle ceases to be subject to the jurisdiction of the applicable gaming authorities, or the applicable gaming authorities, by affirmative action, validates the issuance or transfer or waive any defect in the issuance or transfer.	

VOTING RIGHTS IN AN EXTRAORDINARY TRANSACTION

The DGCL generally requires that any merger, consolidation or sale of substantially all the assets of a corporation be approved by a vote of a majority of all outstanding shares entitled to vote thereon. Although a Delaware corporation s certificate of incorporation may provide for a greater vote, Pinnacle s restated certificate of incorporation, as amended, does not require a greater vote.	Under Section 321(b) of the PBCL, a plan of merger or consolidation may be adopted if, among other conditions, it receives the affirmative vote of a majority of the votes cast by all shareholders entitled to vote thereon. Under Section 321(d) of the PBCL, no shareholder vote is required for a merger where the articles of incorporation of the surviving corporation are identical to those of the corporation being merged, or for a merger of an 80%-owned subsidiary into the parent.

AMENDMENT TO THE CERTIFICATE/ARTICLES OF INCORPORATION

Under the DGCL, an amendment to the certificate of incorporation requires (1) the approval of the board of directors, (2) the approval of the holders of a majority of the outstanding stock entitled to vote upon the proposed amendment, and (3) the approval of the holders of a majority of the outstanding stock of each class entitled to vote thereon as a class. Pinnacle s restated certificate of incorporation, as amended, does not contain any provisions	Under the PBCL, an amendment to the articles of incorporation can be proposed by adoption of a resolution by the GLPI board. An amendment must be submitted to a vote and approved by a majority of the shareholders entitled to vote thereon and, if any class or series of shares is entitled to vote thereon as a class, the affirmative vote of a majority of the votes cast in each such class vote, except for amendments on matters

altering the standards for amendment.

specified in Section 1914(c) of the PBCL that do not require shareholder approval and for those matters specified to require a higher vote under the GLPI articles.

Under the GLPI articles, however, an amendment, alteration or repeal of any provision concerning the

Table of Contents

Pinnacle	GLPI
	classification of the GLPI board of directors (see below) or the indemnification or limitation of liability of GLPI directors and officers (see below) requires the affirmative vote of at least 75% of all outstanding GLPI stock entitled to vote generally in the election of directors, voting together as a single class.

AMENDMENT TO THE BYLAWS

Under the DGCL, bylaws may be adopted, amended or repealed by the stockholders entitled to vote, and by the board of directors if the corporation s certificate of incorporation confers the power to adopt, amend or repeal the corporation s bylaws upon the directors. Pinnacle s restated certificate of incorporation, as amended, confers the power to make, alter or repeal the Pinnacle bylaws upon the Pinnacle board of directors. The Pinnacle bylaws also provide that the bylaws may be altered, amended or repealed or new bylaws may be adopted by a majority vote of the issued and outstanding shares of Pinnacle stock entitled to vote thereon.	The GLPI bylaws may be amended or repealed, or new bylaws may be adopted by: the affirmative vote of 75% of the votes cast at a duly organized meeting of shareholders by the holders of shares entitled to vote thereon; the affirmative vote of a majority of the votes cast at a duly organized meeting of shareholders by the holders of shares entitled to vote thereon if the bylaw amendment, repeal or adoption has been proposed by a majority of the directors; or the GLPI board of directors. However, the GLPI board of directors may not adopt or change a bylaw on certain subjects committed expressly to the shareholders by Section 1504(b) of the PBCL.

APPRAISAL/DISSENTERS RIGHTS

Under the DGCL, a stockholder of a Delaware corporation such as Pinnacle who has not voted in favor of, nor consented in writing to, a merger or consolidation in which the corporation is participating generally has the right to an appraisal of the fair value of the stockholder s shares of stock, subject to specified procedural requirements. The	Under the PBCL, shareholders of a public corporation have a right to dissent from a proposed transaction and to obtain payment of the fair value of their shares in a merger, consolidation, division, interest exchange, or conversion and in certain other plans or amendments to the articles of incorporation in which disparate

DGCL does not confer appraisal rights, however, if the corporation s stock is either (1) listed on a national securities exchange or (2) held of record by more than 2,000 holders.

Even if a corporation s stock meets the foregoing requirements, however, the DGCL provides that appraisal rights generally will be permitted if stockholders of the corporation are required to accept for their stock in any merger, consolidation or similar transaction anything other than (1) shares of the corporation surviving or resulting from the transaction,

treatment is given to the holders of shares of the same class or series. However, these dissenters rights are not available for any class or series of stock that is either (i) listed on a national securities exchange or (ii) held beneficially or of record by more than 2,000 persons, unless: (1) the shares are shares of any preferred or special class or series, unless the articles of incorporation or the terms of the transaction entitle all holders of the shares of the class or series to vote thereon and require for the effectuation of the transaction the

Table of Contents

Pinnacle	GLPI
or depository receipts representing shares of the surviving or resulting corporation, or those shares or depository receipts plus cash in lieu of fractional interests, (2) shares of any other corporation, or depository receipts representing shares of the other corporation, or those shares or depository receipts plus cash in lieu of fractional interests, which shares or depository receipts are listed on a national securities exchange or held of record by more than 2,000 holders, or (3) any combination of the foregoing.	affirmative vote of a majority of the votes cast by all shareholders of the class or series; or (2) the transaction provides for disparate treatment for shares of the same class or series, and the shares are a group of a class or series which are to receive the same special treatment in the transaction, and the group is not entitled to a vote as a special class for such transaction.
Under the DGCL, appraisal rights are not available in the merger for Pinnacle stockholders because Pinnacle stockholders will be receiving shares of GLPI in the merger.	Under Sections 317 and 1517(c) of the PBCL, the bylaws or a resolution of the board of directors may direct that all or part of the shareholders shall have appraisal rights in connection with any corporation action or transaction that would not otherwise entitle such shareholders to appraisal rights. The GLPI bylaws do not provide for any additional appraisal rights and the GLPI has not adopted any resolution providing for additional appraisal rights.

SPECIAL MEETINGS OF SHAREHOLDERS

Pinnacle	GLPI
Under the DGCL, special stockholder meetings of a corporation may be called by the corporation s board of directors, or by any person or persons authorized to do so by the corporation s certificate of incorporation or bylaws. The Pinnacle bylaws provide that a special meeting of stockholders may be called by the Chairman of the Board, the Board of Directors or by the Secretary following receipt of written requests to call a special meeting of stockholders by holders of a majority of the voting power of all of the then outstanding shares of capital stock of Pinnacle. Such request must, among other things, state the purpose or purposes of the proposed meeting and be submitted by a stockholder of record after requesting that the Pinnacle board of directors fix a record date.	Under the Section 2521 of the PBCL, shareholders can call special meetings if a registered corporation has adopted, after July 1, 2015, a provision permitting 25% or more of the outstanding shares entitled to vote at a special meeting to call a special meeting. The GLPI articles do not contain a provision permitting shareholders to call a special meeting. Under the GLPI bylaws, only the chairman of the board of directors or a majority of the directors then in office may call special shareholder meetings.

SHAREHOLDER ACTION BY WRITTEN CONSENT

Pinnacle	GLPI
Under the DGCL, any action that can be taken at any annual or special meeting of stockholders of a corporation may also be taken by stockholders without a meeting, without prior notice and without a vote unless the certificate of incorporation provides otherwise. Pinnacle s restated	Section 1766 of the PBCL provides that, unless otherwise restricted by a corporation s bylaws, any action required or permitted to be taken at a meeting of the shareholders of the corporation may be taken without a meeting by unanimous written consent of the

certificate of incorporation, as amended, does not contain any provisions prohibiting Pinnacle stockholders from acting by written consent. Pinnacle s bylaws state that the Pinnacle stockholders may act by a written consent signed by the holders of

shareholders. The GLPI bylaws do not contain any provisions altering action by written consent.

189

Table of Contents

Pinnacle	GLPI
outstanding Pinnacle stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. The written consent must be delivered to Pinnacle s registered office in Delaware, its principal place of business, or an officer or agent of Pinnacle having custody of the book in which proceedings of meetings of stockholders are recorded and is subject to certain additional procedural requirements.	

SHAREHOLDER PROPOSALS AND NOMINATIONS

Pinnacle	GLPI
The Pinnacle restated bylaws generally permit a proposal be brought before an annual meeting or special meeting or to properly nominate a director, if a stockholder who was a stockholder of record at the time of giving of the notice required by the bylaws, who is entitled to vote at the meeting and who has given to Pinnacle s corporate secretary timely written notice, in proper form, of the stockholder s intention to bring that proposal or nomination before the meeting. *Annual Meeting* To be timely delivered for an annual meeting, a stockholder s notice must be delivered to Pinnacle s principal executive offices not less than 90 days nor more than 120 days prior to the one-year anniversary of the date of the preceding year s annual meeting. However, in the event that the date of the annual meeting is more than 30 days earlier or more than 60 days later than such anniversary date, or if no annual meeting was held in the prior year, notice by the stockholder to be timely must be so delivered or received no later than the later of the 90th day prior to such annual meeting or the 10th day following the day on which the public announcement of the date of such meeting is first made. To be in proper form, the notice must set forth: (i) if such notice pertains to the nomination of directors, as to each	The GLPI bylaws contain advance notice procedures with respect to shareholder proposals and recommendations of candidates for election as directors other than nominations made by or at the direction of the board of directors or a committee of the board of directors. Shareholders must notify the corporate secretary in writing prior to the meeting at which the matters are to be acted upon or directors are to be elected. The notice must contain the information specified in the GLPI bylaws. To be timely, the notice must be received at GLPI s principal executive office not less than 120 nor more than 150 days prior to the anniversary date of the immediately preceding annual meeting of shareholders. In order to be eligible to present a shareholder proposal or recommend a candidate for nomination for election as a director at a shareholders meeting, a shareholder must have owned beneficially at least 1% of the outstanding GLPI common stock for a continuous period of not less than 12 months. In addition, shareholders will not be permitted to nominate directly candidates for election to the board of directors, but will instead be permitted to recommend potential nominees to the compensation and governance committee.

person whom the stockholder proposes to nominate for election or reelection as a director all information relating to such person as would be required to be disclosed in solicitations of proxies for the election of such nominees as directors pursuant to the Exchange Act, such person s written consent to serve as a director if elected, and a statement whether such person, if elected, intends to tender, promptly following such

190

Table of Contents

Pinnacle	GLPI
person s election or reelection, an irrevocable resignation effective upon such person s failure to receive the required vote for reelection at the next meeting at which such person would face reelection and the acceptance by the board of such resignation; (ii) as to any business that the stockholder proposes to bring before the meeting, a brief description of such business, the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; (iii) for the stockholder of record and the beneficial owner of such shares, (A) the name and address of each such party; (B) certain information regarding the material interests of such parties with respect to Pinnacle, including any arrangements regarding the right to vote any securities of Pinnacle (C) any other information relating to each such party that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act; (D) a description of all arrangements or understandings between each such party and any other person or persons (including their names) regarding the nomination or business proposal and (E) a statement whether or not each such party will deliver a proxy statement and form of proxy to holders of, in the case of a proposal, at least the percentage of voting power of all of the shares of capital stock of Pinnacle required under applicable law to carry the proposal or, in the case of a nomination or nominations, at least the percentage of voting power of all of the shares of capital stock of Pinnacle reasonably believed by the stockholder of record or beneficial holder, as the case may be, to be sufficient to elect the nominee or nominees proposed to be nominated by the stockholder of record.	
The Pinnacle bylaws provide that this is the exclusive means for a stockholder to make nominations or propose business (other than business included in Pinnacle s proxy materials pursuant to Rule 14a-8 under the Securities Exchange Act of 1934) at an annual meeting of stockholders.	

Special Meeting

To be timely delivered for a special meeting, nominations by stockholders of persons for election to the board must be received by the secretary at the

Table of Contents

Pinnacle	GLPI
principal executive offices of Pinnacle not later than the close of business on the later of the 90th day prior to such special meeting or the 10th day following the day on which public announcement is first made of the date of the special meeting and the nominees proposed by the board to be elected at such meeting. In addition, to be properly brought before a special meeting of stockholders, the stockholder of record and the beneficial owner, if any, on whose behalf any such nomination is made, must provide (A) the name and address of each such party; (B) certain information regarding the material interests of such parties with respect to Pinnacle, including any arrangements regarding the right to vote any securities of Pinnacle (C) any other information relating to each such party that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act; (D) a description of all arrangements or understandings between each such party and any other person or persons (including their names) regarding the nomination or business proposal and (E) a statement whether or not each such party will deliver a proxy statement and form of proxy to holders of, in the case of a proposal, at least the percentage of voting power of all of the shares of capital stock of Pinnacle required under applicable law to carry the proposal or, in the case of a nomination or nominations, at least the percentage of voting power of all of the shares of capital stock of Pinnacle reasonably believed by the stockholder of record or beneficial holder, as the case may be, to be sufficient to elect the nominee or nominees proposed to be nominated by the stockholder of record.	
For a business proposal to be presented for stockholder action at a special meeting, the requested proposal must contain (a) the signature of the stockholder of record signing such request and the date such request was signed, (b) a brief description of the business desired to be brought before the special meeting, the reasons for conducting such business at the meeting and any material interest in such business of the stockholder of record and the beneficial owner, if any, on whose behalf the request is made; (c) the information required above for a nomination by a stockholder at a special meeting (other than clause (E)) and	

(d) a representation that the stockholder signing the request will be a record holder on the date of the special meeting and a representation whether or not any such party or any group of which

192

Table of Contents

Pinnacle	GLPI
such party is or will be a member will deliver a proxy statement and form of proxy to holders of at least the percentage of voting power of all of the shares of capital stock of Pinnacle required under applicable law to carry the proposal.	

BOARD OF DIRECTORS

Number of Directors

Under the DGCL, the board of directors of a corporation must consist of one or more members, each of whom must be a natural person. Pinnacle s bylaws provide that the number of directors may be fixed from time to time exclusively by resolution of the board of directors. Presently, the number of directors is fixed at seven.	The GLPI board of directors has five directors. The GLPI bylaws provide that, subject to provisions in the GLPI articles with respect to the rights of any holders of any series of stock having preference over holders of GLPI common stock as to dividends or upon liquidation to elect directors under specified circumstances, the number of directors is fixed only by resolution of the board of directors.

Classified Board

The DGCL permits classified boards but Pinnacle has not adopted one.	The GLPI articles divide the GLPI board of directors into three classes as nearly equal in number as possible. Directors for each class will be elected at the annual meeting of shareholders held in the year in which the term for that class expires and thereafter will serve for a term of three years.

Removal

The DGCL provides that, in the absence of cumulative voting or a classified board, any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote in an election of directors. Pinnacle s certificate of incorporation does not provide for a classified board or cumulative voting.	Under the GLPI bylaws, a director may be removed only for cause by the affirmative vote of: a majority of the entire GLPI board of directors (not including the director whose removal is being considered); or the affirmative vote of 75% of the shares entitled to vote.

In addition, under Section 1726(c) of the PBCL, a court may remove a director upon application in a derivative suit in cases of fraudulent or dishonest acts, gross abuse of authority or discretion, or for any other proper cause. Section 1726(a)(4) of the PBCL also provides that the board of directors of may be removed at any time with or without cause by the unanimous vote or written consents of shareholders entitle to vote thereon.

193

Table of Contents

Pinnacle	GLPI
Vacancies	
The Pinnacle bylaws provide that any vacancies resulting from death, resignation, retirement, disqualification, removal from office or other cause and newly created directorships resulting from any increase in the authorized number of directors, may be filled by a majority of the directors then in office, although less than a quorum, and will hold office until the next annual meeting of stockholders and until such director s successor is duly elected and qualified.	Vacancies in the board, including vacancies resulting from an increase in the number of directors, may be filled by a majority of the remaining directors though less than a quorum. Any directors elected in these circumstances will hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director s success is duly elected and qualified.
Special Meetings of the Board	
Under the Pinnacle bylaws, special meetings of the Board may be called by the Chairman of the Board, Vice Chairman of the Board, by the Chief Executive Officer or by the President or by a majority of directors then in office.	Special meetings of the board of directors may be called by the Chairman of the Board or by a majority of the directors then in office.
Directors Liability and Indemnification	
The DGCL provides that a corporation may indemnify a director or officer against expenses actually and reasonably incurred by him in association with any action, suit or proceeding in which he is involved by reason of his service to the corporation, if the director or officer acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and with respect to a criminal proceeding, the director or officer had no reason to believe that the act was unlawful. Pinnacle s restated certificate of incorporation, as amended, provides that Pinnacle must indemnify each officer or director who was or is made a party or is threatened to be made a party to or is otherwise involved in any proceeding by reason of the fact that he or she is or was a director or an officer of Pinnacle, whether the basis of such proceeding is an alleged action in an official capacity or in any other capacity, to the fullest extent permitted by the DGCL.	The PBCL permits a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), by reason of the fact that he is or was a representative of the corporation, against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation, and with respect to any criminal proceeding, had no reasonable cause to believe his conduct was unlawful. In an action by or in the right of the corporation, indemnification will not be made in respect of any claim, issue, or matter as to which the person has been adjudged to be liable to the corporation.
Moreover, the Pinnacle bylaws provide that Pinnacle must indemnify and advance expenses to its elected officers and directors to the fullest extent permitted by the DGCL. Pinnacle may also indemnify any person who is or was an	Unless ordered by a court, the determination of whether indemnification is proper in a specific case will be determined by (1) the board of directors by a majority vote of a quorum consisting of directors who were not parties to the action or proceeding; (2) if such

employee or agent of Pinnacle and may also advance expenses incurred by any such person consistent with the advancement provisions for indemnified Pinnacle directors and officers.

a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion; or (3) by the shareholders.

Table of Contents

Pinnacle	GLPI
	To the extent that a representative of a business corporation has been successful on the merits or otherwise in defense of a third-party action, derivative action, or corporate action, he must be indemnified against expenses (including attorneys fees) actually and reasonably incurred by him in connection therewith.
	Pennsylvania law permits a corporation to purchase and maintain insurance for a director or officer against any liability asserted against him, and incurred in his capacity as a director or officer or arising out of his position, whether or not the corporation would have the power to indemnify him against such liability under Pennsylvania law.
	The GLPI articles and bylaws provide that a director shall to the maximum extent permitted by Pennsylvania law, have no personal liability or monetary damages for any action taken, or any failure to take any action as a director. The GLPI articles and bylaws also provide for indemnification for current and former directors, officers, employees, or agents serving at the request of the corporation to the fullest extent permitted by Pennsylvania law. The GLPI articles and bylaws also permit the advancement of expenses.
RIGHTS PLAN	
The DGCL does not include a statutory provision expressly validating shareholder rights plans; however, such plans have generally been upheld by decision of courts applying Delaware law.	While the PBCL authorizes a corporation to adopt a shareholder rights plan, GLPI does not have a shareholder rights plan currently in effect.
On November 6, 2014, the Pinnacle board of directors declared a dividend of one one-thousandth preferred share purchase right, or right, to each outstanding share of its common stock, pursuant to the Rights Agreement (as amended and restated on March 13, 2015). Initially, the rights will attach to all certificates representing Pinnacle common stock then outstanding and no separate rights	

certificates will be distributed. The rights will separate from Pinnacle s common stock and a distribution date for the rights will occur upon the earlier of (i) ten business days following a public announcement that a person or group of affiliated or associated persons has become an Acquiring Person (as defined in the Rights Agreement) and (ii) ten business days (or such later date as may be determined

195

Table of Contents

Pinnacle	GLPI
by action of the Pinnacle board of directors) following the commencement of a tender offer or exchange offer that would result in a person or group becoming an Acquiring Person. The dividend was distributed on November 17, 2014 to stockholders of record on that date. Each right entitles the registered holder to purchase from Pinnacle one one-thousandth of a share of Pinnacle s Series A Junior Participating Preferred Stock, par value $1.00 per share, at a price of $104 per one one-thousandth of a share, subject to adjustment. The rights may be redeemed at such time, on such basis and with such conditions as the Pinnacle board of directors in its sole discretion may establish, subject to certain conditions.	
On July 20, 2015, Pinnacle entered into an amendment with the transfer agent in order to, among other matters, exempt GLPI from the definition of Acquiring Person and the transactions from triggering the provisions of the Rights Agreement that would result in the separation of the rights to separate from shares of Pinnacle common stock.	

STATE ANTI-TAKEOVER STATUTES

Business Combinations

The DGCL generally prohibits a corporation from engaging in a business combination with an interested stockholder (generally, one who beneficially owns 15% or more of the voting power) for a period of three years following the date that the stockholder became an interested stockholder unless:	Section 2538 of Subchapter 25D of the PBCL requires certain transactions with an interested shareholder to be approved by a majority of disinterested shareholders. Interested shareholder is defined broadly to include any shareholder who is a party to the transaction or who is treated differently than other shareholders and affiliates of the corporation.
prior to that time the corporation s board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder ; upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting	Subchapter 25E of the PBCL requires a person or group of persons acting in concert which acquires 20% or more of the voting shares of the corporation to offer to purchase the shares of any other shareholder at fair value. Fair value means the value not less than the highest price paid by the controlling person or group during the 90-day period prior to the control transaction, plus a control premium. Among other exceptions, shares acquired directly from the

stock of the corporation outstanding at the time the transaction commenced, subject to specified adjustments; or

at or subsequent to that time, the business combination is approved by the corporation s board of directors and authorized at an annual or special meeting of stockholders by the affirmative vote of at least 66 2/3% of the

corporation in a transaction exempt from the registration requirements of the Securities Act, are not counted towards the determination of whether the 20% share ownership threshold has been met for purposes of Subchapter E.

Table of Contents

Pinnacle	GLPI
outstanding voting stock that is not owned by the interested stockholder. The three-year prohibition on business combinations with an interested stockholder does not apply under certain circumstances, including business combinations with a corporation that does not have a class of voting stock that is: listed on a national security exchange; or held of record by more than 2,000 stockholders; unless, in each case, this result was directly or indirectly caused by the interested stockholder or from a transaction in which a person became an interested stockholder. The term business combination is defined to include a wide variety of transactions, including mergers, consolidations, sales or other dispositions of 10% or more of a corporation s assets and various other transactions that may benefit an interested stockholder. Pinnacle s restated certificate of incorporation, as amended, and the Pinnacle bylaws do not contain any provisions opting out of the restrictions prescribed by this section of the DGCL. The merger does not constitute a prohibited business combination under this statute.	Subchapter 25F of the PBCL generally establishes a 5-year moratorium on a business combination with an interested shareholder. Interested shareholder is defined generally to be any beneficial owner of 20% or more of the corporation s voting stock. Business combination is defined broadly to include mergers, consolidations, asset sales and certain self-dealing transactions. Certain restrictions apply to business combination following the 5-year period. Among other exceptions, Subchapter 25F will be rendered inapplicable if the board of directors approves the proposed business combination, or approves the interested shareholder s acquisition of 20% of the voting shares, in either case prior to the date on which the shareholder first becomes an interested shareholder. Subchapter 25G of the PBCL provides that control shares lose voting rights unless such rights are restored by the affirmative vote of a majority of (i) the disinterested shares (generally, shares held by persons other than the acquiror, executive officers of the corporation and certain employee stock plans) and (ii) the outstanding voting shares of the corporation. Control shares are defined as shares which, upon acquisition, will result in a person or group acquiring for the first time voting control over (a) 20%, (b) 331/3% or (c) 50% or more of the outstanding shares, together with shares acquired within 180 days of attaining the applicable threshold and shares purchased with the intention of attaining such threshold. A corporation may redeem control shares if the acquiring person does not request restoration of voting rights as permitted by Subchapter 25G. Among other exceptions, Subchapter 25G does not apply to a merger, consolidation or a share exchange if the corporation is a party to the transaction agreement. Subchapter 25H of the PBCL provides that if any person or group publicly discloses that the person or group may acquire control of the corporation, or a person or group acquires, or publicly discloses an offer or intent to acquire, 20% or more of the voting power of the corporation and, in either case, sells shares in the

following 18 months, then the profits from such sale must be disgorged to the corporation if the securities that were sold were acquired during the 18-month period or within the preceding 24 months.

Table of Contents

Pinnacle	GLPI
	If shareholders approve a control share acquisition under Subchapter 25G, the corporation is also subject to Subchapters 25I and 25J of the PBCL. Subchapter 25I provides for a minimum severance payment to certain employees terminated within two years of the approval. Subchapter 25J prohibits the abrogation of certain labor contracts prior to their stated date of expiration.

DUTIES OF DIRECTORS

Under Delaware law, the standards of conduct for directors have developed through Delaware court case law. Generally, directors of Delaware corporations are subject to a duty of loyalty and a duty of care. The duty of loyalty requires directors to refrain from self-dealing and the duty of care requires directors in managing the corporate affairs to use that level of care which ordinarily careful and prudent persons would use in similar circumstances. When directors act consistently with their duties of loyalty and care, their decisions generally are presumed to be valid under the business judgment rule.	Under the PBCL, the standard of conduct for directors is governed by statute. The PBCL requires that a director of a Pennsylvania corporation perform his or her duties: (1) in good faith, (2) in a manner he or she reasonably believes to be in the best interests of the corporation, and (3) with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

FORUM FOR ADJUDICATION OF CERTAIN DISPUTES

Pinnacle s restated certificate of incorporation, as amended, and the Pinnacle bylaws do not contain any comparable provisions.	The GLPI bylaws provide that, unless GLPI consents in writing to the selection of an alternative forum, the sole and exclusive forum for (1) any derivative action or proceeding brought on behalf of GLPI, (2) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of GLPI to GLPI or GLPI s shareholders, (3) any action asserting a claim arising pursuant to any provision of the PBCL, or (4) any action asserting a claim peculiar to the relationships among or between or among the GLPI and its officers, directors, and shareholders, will be a state or federal court located within the County of Berks in the Commonwealth of Pennsylvania (in all cases subject to the court s having personal jurisdiction over the indispensable parties named as defendants).

Table of Contents

LEGAL MATTERS

The legality of the shares of GLPI common stock issuable in the merger will be passed upon for GLPI by Brandon J. Moore, GLPI s General Counsel and Secretary. Certain U.S. federal income tax consequences relating to the transactions will be passed upon for GLPI by Wachtell, Lipton, Rosen & Katz and for Pinnacle by Skadden, Arps, Slate, Meagher & Flom LLP.

EXPERTS

GLPI

The consolidated financial statements of Gaming and Leisure Properties, Inc. and subsidiaries incorporated by reference in Gaming and Leisure Properties, Inc. and subsidiaries Annual Report (Form 10-K/A) for the year ended December 31, 2014 including the schedule appearing therein, and the effectiveness of Gaming and Leisure Properties, Inc. and subsidiaries internal control over financial reporting as of December 31, 2014, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in its reports thereon, which conclude, among other things, that Gaming and Leisure Properties, Inc. and subsidiaries did not maintain effective internal control over financial reporting as of December 31, 2014, based on Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), because of the effects of the material weakness described therein, included therein, and incorporated herein by reference. Such financial statements have been incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

PINNACLE

The consolidated financial statements of Pinnacle Entertainment, Inc. appearing in Pinnacle Entertainment, Inc. s Annual Report (Form 10-K) for the year ended December 31, 2014 (including the schedule appearing therein), and the effectiveness of Pinnacle Entertainment, Inc. s internal control over financial reporting as of December 31, 2014 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

Table of Contents

SHAREHOLDER AND STOCKHOLDER PROPOSALS

GLPI

GLPI will hold a regular annual meeting in 2016 regardless of whether the merger is completed.

For inclusion in GLPI s proxy statement and form of proxy relating to GLPI s 2016 annual meeting of shareholders, shareholders proposals submitted pursuant to Rule 14a-8 under the Exchange Act must be received at GLPI s principal executive offices no later than January 1, 2016. Shareholders proposals submitted pursuant to Rule 14a-8 should be addressed to Gaming and Leisure Properties, Inc., 845 Berkshire Blvd., Suite 200, Wyomissing, PA 19610, Attention: Secretary.

In accordance with the GLPI bylaws, for a proposal of a shareholder to be raised from the floor and presented at our 2016 Annual Meeting of Shareholders (other than a shareholder proposal intended to be included in GLPI s Proxy Statement and submitted pursuant to Rule 14a-8 promulgated under the Exchange Act) a shareholder s notice must be hand-delivered or mailed by certified or registered mail, return receipt requested, to GLPI s principal executive offices, together with all supporting documentation required by GLPI s bylaws, not prior to January 20, 2016 nor later than February 19, 2016. Shareholder proposals should be addressed to Gaming and Leisure Properties, Inc., 845 Berkshire Blvd., Suite 200, Wyomissing, PA 19610, Attention: Secretary.

Pinnacle

If the merger agreement is adopted and the spin-off and the merger are approved by the requisite vote of the Pinnacle stockholders and the merger is completed, Pinnacle will become a wholly owned subsidiary of GLPI and, consequently, will not hold an annual meeting of its stockholders in 2016. Pinnacle stockholders will be entitled to participate, as shareholders of GLPI following the merger, in the 2016 annual meeting of shareholders of GLPI.

If the merger agreement is not adopted by the requisite vote of the Pinnacle stockholders or if the transactions are not completed for any reason, Pinnacle will hold an annual meeting of its stockholders in 2016.

Pursuant to Rule 14a-8 under the Exchange Act, stockholder proposals submitted for inclusion in Pinnacle s proxy statement and proxy card for the next annual meeting would have to be received by the Secretary of Pinnacle no later than December 17, 2015 if the next annual meeting were held on or near May 19, 2016. In the event that Pinnacle elects to hold its next annual meeting more than 30 days before or after May 19, 2016, such stockholder proposals would have to be received by Pinnacle a reasonable time before Pinnacle begins to print and send its proxy materials. Stockholder nominations of directors are not stockholder proposals within the meaning of Rule 14a-8 and are not eligible for inclusion in Pinnacle s proxy statement.

Under the Pinnacle bylaws, stockholders who wish to present proposals for action, or to nominate directors (other than proposals to be included in Pinnacle s proxy statement and form of proxy card pursuant to Rule 14a-8 under the Exchange Act), at the next annual meeting of stockholders of Pinnacle ,if any, must give written notice to the Secretary of Pinnacle at the address set forth on the cover page of this joint proxy statement/prospectus in accordance with the then current provisions of the Pinnacle bylaws. The Pinnacle bylaws currently require that such notice be given not more than 120 days, nor less than 90 days, prior to the first anniversary of Pinnacle s 2015 annual meeting of stockholders (*i.e.*, no earlier than January 20, 2016 and no later than February 19, 2016). If, however, Pinnacle advances the date of the next annual meeting by more than 30 days before or delays such date by more than 60 days after the first anniversary of Pinnacle s 2015 annual meeting of stockholders, notice by the stockholder must be given not later than the later of (i) 90 days in advance of such annual meeting or, (ii) the tenth day following the first public announcement of the date of such meeting by Pinnacle. Stockholder notices must contain the information required by Section 2 of Article I of the Pinnacle bylaws. If Pinnacle does

Table of Contents

not have notice of a matter to come before the next annual meeting by February 19, 2016 (or, in the event the next annual meeting is held more than 30 days before or 60 days after the first anniversary of Pinnacle s 2015 annual meeting of stockholders, then by the date described above relating to such delay or advance in the meeting date), Pinnacle s proxy for such meeting will confer discretionary authority to vote on such matter.

Table of Contents

HOUSEHOLDING OF JOINT PROXY STATEMENT/PROSPECTUS

The SEC has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement or annual report, as applicable, addressed to those stockholders. As permitted by the Exchange Act, only one copy of this joint proxy statement/prospectus is being delivered to stockholders residing at the same address, unless stockholders have notified the company whose shares they hold of their desire to receive multiple copies of the joint proxy statement/prospectus. This process, which is commonly referred to in this joint proxy statement/prospectus as householding, potentially provides extra convenience for stockholders and cost savings for companies.

If, at any time, you no longer wish to participate in householding and would prefer to receive a separate copy of this joint proxy statement/prospectus, or if you are receiving multiple copies of this joint proxy statement/prospectus and wish to receive only one, please contact the company whose shares you hold at its address identified in this paragraph below. Each of GLPI and Pinnacle will promptly deliver, upon oral or written request, a separate copy of this joint proxy statement/prospectus to any stockholder residing at an address to which only one copy was mailed. Requests for additional copies should be directed to: GLPI, Inc., 845 Berkshire Blvd., Suite 200, Wyomissing PA, 19610, Attention: Investor Relations, Phone: (203) 682-8211 or to Pinnacle Entertainment, Inc., 3980 Howard Hughes Parkway, Las Vegas, NV 89169, Attention: Investor Relations, Phone: (702) 541-7777.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

GLPI and Pinnacle each file annual, quarterly and current reports, proxy statements and other information with the SEC under the Exchange Act. You may read and copy any of this information at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. The SEC also maintains an Internet website that contains reports, proxy and information statements, and other information regarding issuers, including GLPI and Pinnacle, who file electronically with the SEC. The address of that site is www.sec.gov.

Investors may also consult GLPI s or Pinnacle s website for more information about GLPI or Pinnacle, respectively. GLPI s website is www.glpropinc.com. Pinnacle s website is www.Pinnacle.com. Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

GLPI has filed with the SEC a registration statement of which this joint proxy statement/prospectus forms a part. The registration statement registers the shares of GLPI common stock to be issued to Pinnacle stockholders in the merger. The registration statement, including the attached exhibits, contains additional relevant information about GLPI and GLPI common stock. The rules and regulations of the SEC allow GLPI and Pinnacle to omit certain information included in the registration statement from this joint proxy statement/prospectus.

In addition, the SEC allows GLPI and Pinnacle to disclose important information to you by referring you to other documents filed separately with the SEC. This information is considered to be a part of this joint proxy statement/prospectus, except for any information that is superseded by information included directly in this joint proxy statement/prospectus or incorporated by reference subsequent to the date of this joint proxy statement/prospectus as described below. This joint proxy statement/prospectus also contains summaries of certain provisions contained in some of the GLPI or Pinnacle documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by reference to the actual documents. Some documents or information, such as that called for by Item 2.02 and 7.01 of Form 8-K, or the exhibits related thereto under Item 9.01 of Form 8-K, are deemed furnished and not filed in accordance with SEC rules. None of those documents and none of that information is incorporated by reference into this joint proxy statement/prospectus.

This joint proxy statement/prospectus incorporates by reference the documents listed below that GLPI and Pinnacle have previously filed with the SEC. These documents contain important information about the companies, their respective financial condition and other matters.

GLPI SEC Filings (File No. 1-36124)	**Period or File Date**
Annual Report on Form 10-K/A	Year ended December 31, 2014
Quarterly Reports on Form 10-Q and 10-Q/A	Quarterly periods ended September 30, 2015, June 30, 2015 and March 31, 2015
Current Reports on Form 8-K	Filed on March 9, 2015, June 19, 2015, July 7, 2015, July 21, 2015, July 22, 2015, October 22, 2015, December 16, 2015 and February 4, 2016 (the second Form 8-K filed on such date only)
Proxy for 2015 Annual Meeting of Shareholders on Schedule 14A	Filed on April 30, 2015

The description of GLPI common stock contained in GLPI s registration statement on Form 8-A filed under Section 12 of the Exchange Act on October 9, 2013, including any subsequently filed amendments and reports updating such description.

Table of Contents

Pinnacle SEC Filings (File No. 1-13641)	Period or File Date
Annual Report on Form 10-K	Year ended December 31, 2014
Quarterly Reports on Form 10-Q	Quarterly periods ended September 30, 2015, June 30, 2015 and March 31, 2015
Current Reports on Form 8-K and 8-K/A	Filed on March 10, 2015, March 13, 2015, March 19, 2015, May 14, 2015, May 15, 2015, May 21, 2015 (two filings), July 21, 2015, July 23, 2015, July 30, 2015, October 9, 2015, October 29, 2015, November 4, 2015, November 23, 2015, December 24, 2015 and February 11, 2016
Proxy for 2015 Annual Meeting of Stockholders on Schedule 14A	Filed on April 10, 2015
The description of Pinnacle capital stock contained in Pinnacle s registration statement on Form 8-A filed under Section 12 of the Exchange Act on November 16, 2015, including any subsequently filed amendments and reports updating such description.	

In addition, GLPI and Pinnacle incorporate by reference any future filings they make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act (i) after the date of the initial filing and prior to the effectiveness of the registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part and (ii) after the date of this joint proxy statement/prospectus and prior to the date of the GLPI special meeting and the Pinnacle special meeting (other than information furnished pursuant to Item 2.02 or Item 7.01 of any Current Report on Form 8-K, unless expressly stated otherwise therein). Such documents are considered to be a part of this joint proxy statement/prospectus, effective as of the date such documents are filed.

You can obtain any of these documents from the SEC, through the SEC s website at the address described above, or GLPI or Pinnacle, as applicable, will provide you with copies of these documents, without charge, upon written or oral request to:

GLPI, Inc.	Pinnacle Entertainment, Inc.
845 Berkshire Blvd., Suite 200	**3980 Howard Hughes Parkway**
Wyomissing, PA 19610	**Las Vegas, NV 89169**
(203) 682-8211	**(702) 541-7777**
Attn: Investor Relations	**Attn: Investor Relations**

In the event of conflicting information in this joint proxy statement/prospectus in comparison to any document incorporated by reference into this joint proxy statement/prospectus, or among documents incorporated by reference, the information in the latest filed document controls.

You should rely only on the information contained or incorporated by reference into this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated [ ], 2016. You should not assume that the information contained in this joint proxy statement/prospectus is accurate as of any date other than that date. You should not assume that the information incorporated by reference into this joint proxy statement/prospectus is accurate as of any date other than the date of such incorporated document. Neither GLPI s mailing of this joint proxy statement/prospectus to GLPI shareholders or Pinnacle stockholders nor the issuance by GLPI of common stock in the merger will create any implication to the contrary.

Table of Contents

This document contains a description of the representations and warranties that each of Pinnacle and GLPI made to the other in the merger agreement. Representations and warranties made by Pinnacle, GLPI and other applicable parties are also set forth in contracts and other documents that are attached or filed as exhibits to this document or are incorporated by reference into this document. These materials are included or incorporated by reference to provide you with information regarding the terms and conditions of the agreements. Accordingly, the representations and warranties and other provisions of the merger agreement should not be read alone, but instead should be read only in conjunction with the other information provided elsewhere in this document or incorporated by reference into this document.

Table of Contents

Annex A

AGREEMENT AND PLAN OF MERGER

by and among

PINNACLE ENTERTAINMENT, INC.

GAMING AND LEISURE PROPERTIES, INC.

and

GOLD MERGER SUB, LLC

Dated as of July 20, 2015

Table of Contents

TABLE OF CONTENTS

Table of Contents

EXHIBITS

AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER (this Agreement), dated as of July 20, 2015, is by and among Pinnacle Entertainment, Inc., a Delaware corporation (the Company or Pinnacle), Gaming and Leisure Properties, Inc., a Pennsylvania corporation (Parent), and Gold Merger Sub, LLC, a Delaware limited liability company and a direct wholly owned Subsidiary of Parent (Merger Sub).

WITNESSETH:

WHEREAS, the parties intend that the Company shall be merged with and into Merger Sub (the Merger), with Merger Sub surviving the Merger as a wholly owned Subsidiary of Parent;

WHEREAS, it is a condition to the Merger that the Company distribute to the Company s stockholders all of the issued and outstanding shares of common stock of a newly formed corporation (OpCo) which shall be a wholly owned subsidiary of the Company (such distribution referred to as the Distribution), in accordance with the OpCo Spin-Off Agreements (as defined herein);

WHEREAS, the Board of Directors of the Company (the Company Board of Directors) has (i) unanimously determined that it is in the best interests of its stockholders, and declared it advisable, to enter into this Agreement, (ii) approved the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including the Merger and (iii) on the terms and subject to the conditions set forth in this Agreement, resolved to recommend adoption of this Agreement by the stockholders of the Company and to submit this Agreement to the stockholders of the Company for adoption;

WHEREAS, the Board of Directors of Parent (the Parent Board of Directors) has (i) unanimously determined that it is in the best interests of Parent and its shareholders, and declared it advisable, to enter into this Agreement, (ii) approved the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including the Merger and the issuance of shares of Parent Common Stock (as defined in Section 4.1(d)) in connection with the transactions contemplated by this Agreement (the Share Issuance) and (iii) resolved to recommend the approval by its shareholders of the Share Issuance and to submit the Share Issuance to the shareholders of Parent for approval;

WHEREAS, the Board of Directors of Merger Sub has (i) unanimously determined that it is in the best interest of Merger Sub and its sole stockholder, and declared it advisable, to enter in this Agreement, (ii) approved the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including the Merger, and (iii) resolved to recommend the adoption of this Agreement by the sole stockholder of Merger Sub and to submit this Agreement to such stockholder for adoption, and Parent, as the sole stockholder of Merger Sub, has approved the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including the Merger, and adopted this Agreement;

WHEREAS, concurrently with the execution and delivery of this Agreement, and as a condition and inducement to the willingness of the Company to enter into this Agreement, certain shareholders of Parent are entering into a voting agreement (the Voting Agreement) with the Company pursuant to which such shareholders have agreed, on the terms and subject to the conditions set forth in the Voting Agreement, to, among other things, vote all of their shares of Parent Common Stock in favor of the Share Issuance;

WHEREAS, for U.S. federal income tax purposes, it is intended that the Merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code), and this

Agreement is intended to be and is adopted as a plan of reorganization for purposes of Sections 354 and 361 of the Code; and

Table of Contents

WHEREAS, Parent, Merger Sub and the Company desire to make certain representations, warranties, covenants and agreements set forth herein in connection with this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants and agreements contained herein, and intending to be legally bound hereby, Parent, Merger Sub and the Company agree as follows:

ARTICLE I

THE DISTRIBUTION AND THE MERGER

Section 1.1 The Distribution. Upon the terms and subject to the conditions of the OpCo Spin-Off Agreements, on the Closing Date but prior to the Effective Time and subject to the satisfaction or (to the extent permitted by Law) waiver of the conditions set forth in Article VI (other than those conditions that by their nature are to be satisfied at the Closing; provided that such conditions are reasonably capable of being satisfied at the Closing), the Company shall cause to be effected the Distribution and the other transactions contemplated by the OpCo Spin-Off Agreements, in each case in accordance with the terms of the OpCo Spin-Off Agreements. Each of the Company and Parent shall cooperate with each other, and shall cause their respective Affiliates to so cooperate, such that the Distribution shall be effected on the Closing Date, prior to the Effective Time, with as short as reasonably possible of a delay between the consummation of the Distribution and the Effective Time.

Section 1.2 The Merger. At the Effective Time, upon the terms and subject to the conditions set forth in this Agreement and in accordance with the applicable provisions of the Delaware General Corporation Law (the DGCL) and the Delaware Limited Liability Company Act (the DLLCA), the Company shall be merged with and into Merger Sub, whereupon the separate corporate existence of the Company shall cease, and Merger Sub shall continue its existence under Delaware law as the surviving company in the Merger (the Surviving Company) and a wholly owned Subsidiary of Parent.

Section 1.3 Closing. The closing of the Merger (the Closing) shall take place at the offices of Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, New York at 10:00 a.m., New York City time, on the fifth Business Day after the satisfaction or waiver (to the extent permitted by applicable Law) of the conditions set forth in Article VI (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), or at such other place, date and time as the Company and Parent may agree in writing; provided, (i) that if the Parent Marketing Period has not ended at the time of the satisfaction or waiver of all of the conditions set forth in Article VI (other than those conditions that by their nature are to be satisfied at the Closing; provided, that such conditions are capable of being satisfied at the Closing), the Closing shall not occur until the earlier to occur of (a) a date during the Parent Marketing Period specified by Parent on no less than three (3) Business Days prior written notice to the Company or, if not so specified, on the last day of such Parent Marketing Period (subject to (x) the satisfaction or waiver of all of the conditions set forth in Article VI for the Closing as of the date determined pursuant to this proviso and (y) the right of the Company to extend the Closing Date pursuant to the succeeding clause (ii)) and (b) the End Date, provided that in the case of this clause (b), the Parent Marketing Period shall have commenced as of at least one Business Day prior to the End Date and the Financing Information remains Compliant as of the End Date; and (ii), that if the Company Marketing Period has not ended at the time of the satisfaction or waiver of all of the conditions set forth in Article VI (other than those conditions that by their nature are to be satisfied at the Closing; provided, that such conditions are capable of being satisfied at the Closing), the Closing shall not occur until the earlier to occur of (a) a date during the Company Marketing Period specified by the Company on no less than three (3) Business Days prior written notice to Parent or, if not so specified, on the last day of such Company Marketing Period (subject to (x) the satisfaction or waiver of all of the conditions set forth in Article VI for the Closing as of the date determined pursuant to this proviso and (y) the right of the Parent to extend the Closing

Date pursuant to the preceding clause (i)) and (b) the End Date, provided that in the case of this clause (b), the Company Marketing Period shall have commenced as of at least one Business Day prior to the End Date;

provided, further, that in no event shall the Closing occur on or before the date that is four (4) months from the date of this Agreement. The date on which the Closing actually occurs is referred to as the Closing Date.

Section 1.4 Effective Time. Concurrently with the Closing, the Company and Merger Sub shall cause to be filed with the Secretary of State of the State of Delaware a certificate of merger (the Certificate of Merger), executed and filed in accordance with, and containing such information as is required by, the relevant provisions of the DGCL and the DLLCA in order to effect the Merger. The Merger shall become effective at such time as the Certificate of Merger has been filed with the Secretary of State of the State of Delaware or at such other, later date and time as is agreed between the parties and specified in the Certificate of Merger in accordance with the relevant provisions of the DGCL and the DLLCA (such date and time is hereinafter referred to as the Effective Time).

Section 1.5 Effects of the Merger. The effects of the Merger shall be as provided in this Agreement and in the applicable provisions of the DGCL and the DLLCA. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, all of the property, rights, privileges, powers and franchises of the Company and Merger Sub shall vest in the Surviving Company, and all debts, claims, obligations, liabilities and duties of the Company and Merger Sub shall become the debts, claims, obligations, liabilities and duties of the Surviving Company, all as provided under the DGCL and the DLLCA.

Section 1.6 Organizational Documents of the Surviving Company.

(a) At the Effective Time, the certificate of formation of Merger Sub, as in effect immediately prior to the Effective Time, and subject to Section 5.8, shall be the certificate of formation of the Surviving Company until thereafter amended in accordance with the provisions thereof and applicable Law.

(b) At the Effective Time, the limited liability company agreement of Merger Sub, as in effect immediately prior to the Effective Time, and subject to Section 5.8, shall be the limited liability company agreement of the Surviving Company until thereafter amended in accordance with the provisions thereof and applicable Law.

Section 1.7 Directors. The directors of Merger Sub immediately prior to the Effective Time shall be the initial directors of the Surviving Company and shall hold office until their respective successors are duly elected and qualified, or their earlier death, resignation or removal.

Section 1.8 Officers. The officers of Merger Sub immediately prior to the Effective Time shall be the initial officers of the Surviving Company and shall hold office until their respective successors are duly elected and qualified, or their earlier death, resignation or removal.

ARTICLE II

CONVERSION OF SHARES; EXCHANGE OF CERTIFICATES

Section 2.1 Effect on Capital Stock.

(a) At the Effective Time, by virtue of the Merger and without any action on the part of Parent, the Company, Merger Sub or the holder of any shares or securities of Parent, the Company or Merger Sub:

(i) Conversion of Merger Sub Limited Liability Company Interests. The sole limited liability company interest of Merger Sub issued and outstanding immediately prior to the Effective Time shall thereafter remain outstanding as the sole limited liability company interest of the Surviving Company.

(ii) Cancellation of Certain Stock. Each share of Company Common Stock issued and outstanding immediately prior to the Effective Time that is owned or held in treasury by the Company and each share of Company Common Stock issued and outstanding immediately prior to the Effective Time that is owned by Parent, its Subsidiaries or Merger Sub shall no longer be outstanding and shall automatically be cancelled and retired and shall cease to exist (the Cancelled Shares), and no consideration shall be delivered in exchange therefor or in respect thereof.

(iii) Conversion of Company Common Stock. Subject to the other provisions of this Article II, each share of Company Common Stock issued and outstanding immediately prior to the Effective Time, other than any Cancelled Shares, shall at the Effective Time be converted automatically into and shall thereafter represent the right to receive 0.85 shares of Parent Common Stock (the Exchange Ratio and together with the cash in lieu of fractional shares of Parent Common Stock as specified below, the Merger Consideration). All of the shares of Company Common Stock converted into the right to receive the Merger Consideration pursuant to this Article II shall no longer be outstanding and shall automatically be cancelled and shall cease to exist as of the Effective Time, and uncertificated shares of Company Common Stock represented by book-entry form (Book-Entry Shares) and each certificate that, immediately prior to the Effective Time, represented any such shares of Company Common Stock (each, a Certificate) shall thereafter represent only the right to receive the Merger Consideration into which the shares of Company Common Stock represented by such Book-Entry Share or Certificate have been converted pursuant to this Section 2.1, as well as any dividends or other distributions to which holders of Company Common Stock become entitled in accordance with Section 2.4(d).

(b) Dissenting Shares. No right to fair value or appraisal or similar rights shall be available to holders of Company Common Stock with respect to the Merger or the other transactions contemplated hereby.

(c) Certain Adjustments. If, between the date of this Agreement and the Effective Time (and as permitted by Article V), the outstanding shares of Company Common Stock or Parent Common Stock shall have been changed into a different number of shares or a different class of shares by reason of any stock dividend, subdivision, reorganization, reclassification, recapitalization, stock split, reverse stock split, combination or exchange of shares, or any similar event shall have occurred, then the Exchange Ratio shall be equitably adjusted, without duplication, to proportionally reflect such change; provided that nothing in this Section 2.1(c) shall be construed to permit the Company to take any action with respect to its securities that is prohibited by the terms of this Agreement; provided, further, that (i) nothing in this Section 2.1(c) shall prohibit any action by the Company or any of its Subsidiaries to be taken pursuant to the OpCo Spin-Off Agreements and (ii) no adjustment shall be made pursuant to this Section 2.1(c) as a result of the Distribution or the other transactions contemplated by the OpCo Spin-Off Agreements.

(d) No Fractional Shares. No fractional shares of Parent Common Stock shall be issued in the Merger upon the surrender for exchange of Certificates or with respect to Book-Entry Shares or otherwise, and such fractional share interests shall not entitle the owner thereof to vote or to any other rights of a shareholder of Parent. Each holder of Company Common Stock converted pursuant to the Merger that would otherwise have been entitled to receive a fraction of a share of Parent Common Stock (after aggregating all shares evidenced by the Certificates and Book-Entry Shares delivered by such holder) shall receive from the Exchange Agent, in lieu thereof and upon surrender thereof, a cash payment (without interest) in an amount representing such holder s proportionate interest in the net proceeds from the sale by the Exchange Agent on behalf of all such holders of Parent Common Stock that would otherwise be issued. Each holder of a Company Long Term Incentive Award converted pursuant to the Merger that would otherwise have been entitled to receive a fraction of a share of Parent Common Stock (after aggregating all shares to be delivered in respect of Company Long Term Incentive Awards held by such holder) shall receive from the Surviving Company, in lieu thereof and upon surrender thereof, a cash payment (without interest) in an amount equal to such fractional part of a share of Parent Common Stock multiplied by the Parent Common Stock VWAP.

Section 2.2 Rights Plan. Immediately prior to the Effective Time, all issued and outstanding preferred share purchase rights of the Company (the Company Rights) issued pursuant to the Amended and Restated Rights

Table of Contents

Agreement dated as of March 13, 2015 (the Rights Plan) between the Company and American Stock Transfer & Trust Company, LLC will expire in their entirety without any payment being made in respect thereof in accordance with the Rights Plan Amendment (as defined in Section 3.22).

Section 2.3 Appointment of Exchange Agent. Prior to Effective Time, Parent shall appoint a bank or trust company to act as exchange agent (the Exchange Agent), the identity and the terms of appointment of which to be reasonably acceptable to the Company, for the payment of the Merger Consideration and shall enter into an agreement relating to the Exchange Agent s responsibilities with respect thereto.

Section 2.4 Exchange of Shares.

(a) Deposit of Merger Consideration. Prior to the Effective Time, Parent shall deposit, or shall cause to be deposited, with the Exchange Agent evidence of Parent Common Stock in book-entry form (and/or certificates representing such Parent Common Stock, at Parent s election) representing the number of shares of Parent Common Stock sufficient to deliver the aggregate Merger Consideration (such shares, together with any dividends or distributions with respect thereto, the Exchange Fund).

(b) Exchange Procedures. As soon as reasonably practicable after the Effective Time and in any event within ten (10) Business Days of the Closing Date, Parent shall cause the Exchange Agent to mail to each holder of record of shares of Company Common Stock whose shares of Company Common Stock were converted pursuant to Section 2.1(a)(iii) into the right to receive the Merger Consideration (A) a letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the Certificates or Book-Entry Shares shall pass, only upon delivery of the Certificates (or affidavits of loss in lieu thereof) or Book-Entry Shares, as applicable, to the Exchange Agent and shall be in such form and have such other provisions as Parent and the Company may reasonably agree upon prior to the Effective Time) (the Letter of Transmittal) and (B) instructions for use in effecting the surrender of Certificates or Book-Entry Shares in exchange for the Merger Consideration and any dividends or other distributions to which such Certificates or Book-Entry Shares become entitled in accordance with Section 2.4(d).

(c) Surrender of Certificates or Book-Entry Shares. Upon surrender of Certificates or Book-Entry Shares to the Exchange Agent together with either a Letter of Transmittal, duly completed and validly executed in accordance with the instructions thereto, and such other documents as may customarily be required by the Exchange Agent, the holder of such Certificates or Book-Entry Shares shall be entitled to receive, within two (2) Business Days following the later to occur of (i) the Effective Time or (ii) the Exchange Agent s receipt of such Certificate (or affidavit of loss in lieu thereof) or Book-Entry Share, in exchange therefor the Merger Consideration into which the shares represented by such Certificates or Book-Entry Shares have been converted pursuant to this Agreement together with any dividends or other distributions to which such Certificates or Book-Entry Shares become entitled in accordance with Section 2.4(d). In the event of a transfer of ownership of shares of Company Common Stock that is not registered in the transfer or stock records of the Company, any cash to be paid upon, or shares of Parent Common Stock to be issued upon, due surrender of the Certificate or Book-Entry Share formerly representing such shares of Company Common Stock may be paid or issued, as the case may be, to such a transferee if such Certificate or Book-Entry Share is presented to the Exchange Agent, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable stock transfer or other similar Taxes have been paid or are not applicable. No interest shall be paid or shall accrue on the cash payable upon surrender of any Certificate or Book-Entry Share. Until surrendered as contemplated by this Section 2.4, each Certificate and Book-Entry Share shall be deemed at any time after the Effective Time to represent only the right to receive, upon such surrender, the Merger Consideration into which the shares represented by such Certificates or Book-Entry Shares have been converted pursuant to this Agreement, together with any dividends or other distributions to which such Certificates or Book-Entry Shares become entitled in accordance with Section 2.4(d).

(d) Treatment of Unexchanged Shares. No dividends or other distributions, if any, with a record date after the Effective Time with respect to Parent Common Stock, shall be paid to the holder of any unsurrendered share of Company Common Stock to be converted into shares of Parent Common Stock pursuant to Section 2.1(a)(iii) until such holder shall surrender such share in accordance with this Section 2.4. After the surrender in accordance with this Section 2.4 of a share of Company Common Stock to be converted into shares of Parent Common Stock pursuant to Section 2.1(a)(iii), the holder thereof shall be entitled to receive (in addition to the Merger Consideration payable to such holder pursuant to this Article II) any such dividends or other distributions, without any interest thereon, which theretofore had become payable with respect to the share of Parent Common Stock represented by such share of Company Common Stock.

(e) No Further Ownership Rights in Company Common Stock. The shares of Parent Common Stock delivered and cash paid in accordance with the terms of this Article II upon conversion of any shares of Company Common Stock shall be deemed to have been delivered and paid in full satisfaction of all rights pertaining to such shares of Company Common Stock. From and after the Effective Time, (i) all holders of Certificates and Book-Entry Shares shall cease to have any rights as stockholders of the Company other than the right to receive the Merger Consideration into which the shares represented by such Certificates or Book-Entry Shares have been converted pursuant to this Agreement upon the surrender of such Certificate or Book-Entry Share in accordance with Section 2.4(c) (together with any dividends or other distributions to which such Certificates or Book-Entry Shares become entitled in accordance with Section 2.4(d)), without interest, and (ii) the stock transfer books of the Company shall be closed with respect to all shares of Company Common Stock outstanding immediately prior to the Effective Time. From and after the Effective Time, the stock transfer books of the Company shall be closed, and there shall be no further registration of transfers on the stock transfer books of the Surviving Company of shares of Company Common Stock that were outstanding immediately prior to the Effective Time. If, after the Effective Time, any Certificates or Book-Entry Shares formerly representing shares of Company Common Stock are presented to the Surviving Company, Parent or the Exchange Agent for any reason, such Certificates or Book-Entry Shares shall be cancelled and exchanged as provided in this Article II.

(f) Investment of Exchange Fund. The Exchange Agent shall invest any cash included in the Exchange Fund as directed by Parent; provided, however, that no such investment or loss thereon shall affect the amounts payable to holders of Certificates or Book-Entry Shares pursuant to this Article II, and following any losses from any such investment, Parent shall promptly provide additional funds to the Exchange Agent for the benefit of the holders of shares of Company Common Stock at the Effective Time in the amount of such losses, which additional funds will be deemed to be part of the Exchange Fund. Any interest or other income resulting from such investments shall be paid to Parent, upon demand.

(g) Termination of Exchange Fund. Any portion of the Exchange Fund (including any interest or other amounts received with respect thereto) that remains unclaimed by, or otherwise undistributed to, the holders of Certificates and Book-Entry Shares for twelve (12) months after the Effective Time shall be delivered to Parent, upon demand, and any holder of Certificates or Book-Entry Shares who has not theretofore complied with this Article II shall thereafter look only to Parent or the Surviving Company (subject to applicable abandoned property, escheat or other similar Laws), as general creditors thereof, for satisfaction of its claim for Merger Consideration and any dividends and distributions which such holder has the right to receive pursuant to this Article II without any interest thereon.

(h) No Liability. None of Parent, the Company, Merger Sub or the Exchange Agent shall be liable to any person in respect of any portion of the Exchange Fund or the Merger Consideration delivered to a public official pursuant to any applicable abandoned property, escheat or similar Law. Notwithstanding any other provision of this Agreement, any portion of the Merger Consideration or the cash to be paid in accordance with this Article II that remains undistributed to the holders of Certificates and Book-Entry Shares as of the second anniversary of the Effective Time (or immediately prior to such earlier date on which the Merger Consideration or such cash would otherwise escheat to or become the property of any Governmental Entity), shall, to the extent permitted by applicable Law, become the property of the Surviving Company, free and clear of all claims or interest of any person previously entitled thereto.

(i) Withholding Rights. Each of the Surviving Company, Parent and the Exchange Agent (without duplication) shall be entitled to (and, with respect to Company Long Term Incentive Awards, OpCo, as the agent of the Surviving Company, shall) deduct and withhold from the consideration otherwise payable to any holder of a Certificate, a Book-Entry Share or a Company Long Term Incentive Award pursuant to this Agreement such amounts as may be required to be deducted and withheld with respect to the making of such payment under applicable Tax Law. Any amounts so deducted and withheld shall be paid over to the appropriate Taxing Authority shall be treated for all purposes of this Agreement as having been paid to the holder of the Certificate, Book-Entry Share or Company Long Term Incentive Award in respect of which such deduction or withholding was made.

(j) Lost Certificates. If any Certificate shall have been lost, stolen, mutilated or destroyed, upon the making of an affidavit of that fact by the person claiming such Certificate to be lost, stolen, mutilated or destroyed and, if required by Parent or the Exchange Agent, the posting by such person of a bond in such amount as Parent or the Exchange Agent may determine is reasonably necessary as indemnity against any claim that may be made against it or the Surviving Company with respect to such Certificate, the Exchange Agent (or, if subsequent to the termination of the Exchange Fund and subject to Section 2.4(g), Parent) shall deliver, in exchange for such lost, stolen, mutilated or destroyed Certificate, the Merger Consideration and any dividends and distributions deliverable in respect thereof pursuant to this Agreement.

Section 2.5 Company Long Term Incentive Awards.

(a) Adjustment of Company Long Term Incentive Awards in Connection with the Distribution. Prior to the actions described in this Section 2.5, the Company Long Term Incentive Awards shall be adjusted in accordance with Section 5 of the Employee Matters Agreement.

(b) Company Options. Each Adjusted Pinnacle Option, as such term is defined in the Employee Matters Agreement, whether vested or unvested, that is outstanding immediately prior to the Effective Time (each, a Company Option) shall, as of the Effective Time, become fully vested and be cancelled and converted into the right to receive the number of shares of Parent Common Stock (rounded down to the nearest whole share) equal to the product obtained by multiplying (i) the Exchange Ratio by (ii) the number of Net Company Shares corresponding to such Company Option. Any Company Option that has an exercise price per share of Company Common Stock that is greater than or equal to the Per Share Cash Consideration shall be cancelled in exchange for no consideration. The Surviving Company shall transfer, in accordance with the provisions of Section 2.5(f), to the holders of Company Options the amounts described in this Section 2.5(b). If any adjustments are made to the Exchange Ratio pursuant to Section 2.1(c), the parties shall determine in good faith adjustments to the Per Share Cash Consideration to reflect any such changes; provided that any such adjustments made to the Per Share Cash Consideration between the date of this Agreement and the Effective Time shall be made in a manner intended to comply with Section 409A of the Code.

(c) Company RSUs. Each Adjusted Pinnacle RSU, as defined in the Employee Matters Agreement, that is outstanding immediately prior to the Effective Time (each, a Company RSU) shall, as of the Effective Time, become fully vested (with any performance-based vesting conditions deemed to be satisfied at target (100%)) and shall be cancelled and converted into the right to receive, in respect of each share of Company Common Stock underlying such Company RSU, the number of shares of Parent Common Stock (rounded to the nearest whole share) equal to the Exchange Ratio. The Surviving Company shall transfer, in accordance with the provisions of Section 2.5(f), to the holders of Company RSUs the amounts described in this Section 2.5(c).

(d) Company PUAs. Each Adjusted Pinnacle PUA, as defined in the Employee Matters Agreement, granted pursuant to a Company equity plan, whether vested or unvested, that is outstanding immediately prior to the Effective Time (each, a Company PUA) shall, as of the Effective Time, become fully vested (with any performance-based vesting conditions deemed satisfied at target (100%) levels) and shall be cancelled and converted into the right to receive the number of shares of Parent Common Stock (rounded to the nearest whole share) equal to the aggregate dollar value of the Company PUA divided by the Parent Common Stock VWAP. The Surviving Company shall transfer, in accordance with the provisions of Section 2.5(f), to the holders of Company PUAs the amounts described in this Section 2.5(d).

(e) Certain Tax Considerations. The actions contemplated by this Section 2.5 shall be taken in accordance with Section 409A of the Code.

(f) Company Actions.

(i) Prior to the Effective Time, the Company Board of Directors and/or an appropriate committee thereof shall adopt resolutions providing for, and take all other actions necessary to effectuate, (A) the treatment of the Company Options, Company RSUs and Company PUAs (collectively, the Company Long Term Incentive Awards) as contemplated by this Section 2.5(f) and (B) the termination of each Company equity plan and each Company Benefit Plan governing Retained Deferred Equity Awards, as such term is defined in the Employee Matters Agreement, with respect to any liability related to Retained Deferred Equity Awards, in each case, effective as of and subject to the occurrence of the Effective Time.

(ii) On the Closing Date, the Surviving Company shall transfer to OpCo as payment agent all shares of Parent Common Stock payable pursuant to this Section 2.5. Upon payment of the shares of Parent Common Stock referred to in the immediately preceding sentence, neither Parent nor the Surviving Company shall have any further obligation with respect to the payments contemplated by this Section 2.5.

(iii) OpCo, as the payment agent for the Surviving Company, shall deliver (A) to the holders of Company Long Term Incentive Awards the shares of Parent Common Stock referred to in Section 2.5(f)(ii), and (B) to the appropriate Governmental Entity on behalf of the holders of Company Long Term Incentive Awards any amounts required to be withheld with respect to the payments contemplated by this Section 2.5.

Section 2.6 Further Assurances. If at any time before or after the Effective Time, Parent or the Company reasonably believes or is advised that any further instruments, deeds, assignments or assurances are reasonably necessary or desirable to consummate the Merger or to carry out the purposes and intent of this Agreement at or after the Effective Time, then Parent, Merger Sub, the Company and the Surviving Company and their respective officers and directors shall execute and deliver all such proper instruments, deeds, assignments or assurances and do all other things reasonably necessary or desirable to consummate the Merger and to carry out the purposes and intent of this Agreement.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as expressly provided herein, no representations and warranties are being made in this Agreement by the Company with respect to the OpCo Business, OpCo Assets or OpCo Liabilities (as each such term is defined in the Separation and Distribution Agreement), including with respect to the Company s Subsidiaries, but solely to the extent that the matters relating to the OpCo Business, OpCo Assets or OpCo Liabilities with respect to which the Company would otherwise be making representations and warranties would not reasonably be expected to adversely affect PropCo or the Pinnacle Business (as such term is defined in the Separation and Distribution Agreement) or Parent as the owner and operator thereof following the Effective Time, in each case in any material respect, and would not reasonably be expected to prevent, impede or materially delay the consummation of the transactions contemplated by this Agreement or the OpCo Spin-Off Agreements. Except as disclosed in the Company SEC Documents filed since

January 1, 2014 and prior to the date hereof (excluding any disclosures set forth in any such Company SEC Document in any risk factor section, any disclosure in any section relating to forward-looking statements or any other statements that are non-specific, predictive or primarily cautionary in nature other than historical facts included therein), where the relevance of the information as an exception to (or disclosure for purposes of) a particular representation is reasonably apparent on the face of such disclosure, or in the disclosure letter delivered by the Company to Parent immediately prior to the execution of this Agreement (the Company Disclosure Letter) (each section of which qualifies the correspondingly numbered representation, warranty or covenant if specified therein and such other representations, warranties or covenants where its relevance as an exception to (or disclosure for purposes of) such other representation, warranty or covenant is reasonably apparent on the face of such disclosure), the Company represents and warrants to Parent and Merger Sub as follows:

Section 3.1 Qualification, Organization, Subsidiaries, Capitalization.

(a) The Company is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware and has all requisite corporate power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted.

(b) Each of the Company s Subsidiaries is a legal entity duly organized, validly existing and in good standing under the Laws of its respective jurisdiction of organization and has all requisite corporate or similar power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted, except where the failure to have such power or authority has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Each of the Company and its Subsidiaries is duly qualified or licensed, and has all necessary governmental approvals, to do business and is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such approvals, qualification or licensing necessary, except where the failure to be so duly approved, qualified or licensed and in good standing has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Each of the Company and its Subsidiaries (to the extent any such Subsidiary owns a Vessel) is, and at the Effective Time will be, a citizen of the United States, within the meaning of 46 U.S.C. §50501, as amended, eligible to own and operate the Vessels in the coastwise trade of the United States.

(c) The Company has made available prior to the date of this Agreement a true and complete copy of the Company s certificate of incorporation and bylaws (collectively, the Company Organizational Documents) and the certificate of incorporation, certificate of formation, bylaws, limited partnership agreement, limited liability company agreement or comparable constituent or organizational documents now in effect for each Subsidiary of the Company that will be a Subsidiary of PropCo (to the extent such Subsidiary exists as of the date hereof) immediately after the Distribution, in each case, as amended through the date hereof.

Section 3.2 Capital Stock.

(a) The authorized capital stock of the Company consists of 150,000,000 shares of common stock, par value $0.10 per share (the Company Common Stock), and 250,000 shares of preferred stock, par value $1.00 per share (Company Preferred Stock). As of July 16, 2015, (i) 60,707,435 shares of Company Common Stock were issued and outstanding (each together with a Company Right) (ii) 6,374,882 shares of Company Common Stock were held in treasury, (iii) no shares of Company Preferred Stock were issued or outstanding and 100,000 of Company Preferred Stock were designated as Series A Junior Participating Preferred Stock and were reserved for issuance under the Rights Plan, (iv) 8,712,277 shares of Company Common Stock were reserved for issuance under Company equity plans, of which amount (A) 5,323,864 shares of Company Common Stock are issuable upon the exercise of outstanding Pinnacle Options, as defined in the Employee Matters Agreement, and (B) 2,166,353 shares of Company Common Stock are issuable upon the settlement of outstanding Pinnacle Restricted Stock Units, as defined in the Employee Matters Agreement (with respect to performance-based awards, assuming performance is achieved at target), and

(v) 2,463,200 Performance Units, as defined in the Employee Matters Agreement, were outstanding, representing an aggregate dollar value equal to $2,463,200 (assuming any performance-based vesting conditions are deemed satisfied at target (100%) levels).

(b) All outstanding shares of Company Common Stock are, and all shares of Company Common Stock reserved for issuance with respect to Company Long Term Incentive Awards, when issued in accordance with the respective terms thereof, will be, duly authorized, validly issued, fully paid and nonassessable and free of preemptive rights. All outstanding equity securities of the Company are duly authorized, validly issued, fully paid and nonassessable and free of preemptive rights.

(c) Except as set forth in Section 3.2(a) or as expressly provided by the OpCo Spin-Off Agreements (and other than the Company Rights, the Rights Plan and shares of Company Common Stock issuable pursuant to the terms of outstanding Company Long Term Incentive Awards), as of the date hereof, there are no outstanding subscriptions, options, warrants, calls, convertible securities, exchangeable securities or other similar rights, agreements or commitments to which the Company or any of its Subsidiaries is a party (i) obligating the Company or any of its Subsidiaries to (A) issue, transfer, exchange, sell or register for sale any shares of capital stock or other equity interests of the Company or any Subsidiary of the Company or securities convertible into or exchangeable for such shares or equity interests, (B) grant, extend or enter into any such subscription, option, warrant, call, convertible securities or other similar right, agreement or arrangement, (C) redeem or otherwise acquire any such shares of capital stock or other equity interests, (D) provide a material amount of funds to, or make any material investment (in the form of a loan, capital contribution or otherwise) in, any Subsidiary or (E) make any payment to any person the value of which is derived from or calculated based on the value of Company Common Stock or Company Preferred Stock, or (ii) granting any preemptive or antidilutive or similar rights with respect to any security issued by the Company or its Subsidiaries. No Subsidiary of the Company owns any shares of capital stock of the Company.

Section 3.3 Corporate Authority Relative to this Agreement; No Violation.

(a) The Company has the requisite corporate power and authority to enter into this Agreement, the Voting Agreement, the OpCo Spin-Off Agreements and each other document to be entered into by the Company in connection with the transactions contemplated hereby and thereby (together with this Agreement, the Company Transaction Documents) and, subject to receipt of approval of this Agreement by holders of at least a majority of the outstanding shares of Company Common Stock (the Company Stockholder Approval) and the occurrence of the shareholder advisory vote contemplated by Rule 14a-21(c) under the Exchange Act, regardless of the outcome of such vote (the Company Stockholder Advisory Vote), to consummate the transactions contemplated hereby and thereby. The execution and delivery by the Company of this Agreement and the Voting Agreement and the consummation of the transactions contemplated hereby has been, and the execution and delivery of the other Company Transaction Documents and the consummation of the transactions contemplated thereby has been or shall be, duly and validly authorized by the Company Board of Directors and, except for the Company Stockholder Approval, the occurrence of the Company Stockholder Advisory Vote and the filing of the Certificate of Merger with the Secretary of State of Delaware, no other corporate proceedings on the part of the Company or vote of the Company s securityholders are necessary to authorize the consummation of the transactions contemplated hereby. The Company Board of Directors has unanimously (i) resolved to recommend that the Company s stockholders adopt this Agreement (the Company Recommendation), (ii) determined that this Agreement and the Merger are advisable and in the best interests of the Company s stockholders, (iii) approved the execution, delivery and performance of this Agreement and the Merger, and (iv) resolved that the adoption of this Agreement be submitted to a vote at a meeting of the Company s stockholders. This Agreement and the Voting Agreement have been, and the other Company Transaction Documents shall be, duly and validly executed and delivered by the Company and, assuming each of this Agreement, the Voting Agreement and the Company Transaction Documents constitute the legal, valid and binding agreement of the counterparty thereto, this Agreement and the Voting Agreement constitute, and the Company Transaction Documents will constitute, legal, valid and binding agreements of the Company and are enforceable against the Company in accordance with their terms, except as such enforcement may be subject to the limitation of such enforcement by (1) the effect of bankruptcy, insolvency, reorganization, receivership, conservatorship, arrangement, moratorium or other Laws affecting or relating to creditors rights generally or (2) the rules governing the availability of specific performance, injunctive relief or other equitable remedies and general principles of equity, regardless of whether considered in a proceeding in equity or at law (the Remedies Exceptions).

(b) Other than in connection with or in compliance with (i) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware, (ii) the Exchange Act, (iii) the U.S. Securities Act of 1933, as amended, and the rules promulgated thereunder (the Securities Act), (iv) applicable state securities, takeover and blue sky Laws, (v) the rules and regulations of the New York Stock Exchange (the NYSE), (vi) compliance with and obtaining such Gaming Approvals as may be required under applicable Gaming Laws, and (vii) such consents, filings and notifications, including Gaming Approvals, as may be required to effect the Distribution (collectively, the Company Approvals), and, subject to the accuracy of the representations and warranties of Parent and Merger Sub in Section 4.2(b), no authorization, consent, order, license, permit or approval of, or registration, declaration, notice or filing with, any United States, state of the United States or local, foreign or multi-national governmental or regulatory agency, commission, court or authority (each, a Governmental Entity) is necessary, under applicable Law, for the consummation by the Company of the transactions contemplated by this Agreement, except for such authorizations, consents, orders, licenses, permits, approvals or filings that are not required to be obtained or made prior to consummation of such transactions or that, if not obtained or made, would not materially impede or delay the consummation of the Merger and the other transactions contemplated by this Agreement and have not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(c) The execution and delivery by the Company of this Agreement and the other Company Transaction Documents does not, and (assuming the Company Approvals are obtained, the Company Notes are Discharged prior to the Effective Time and the Company Credit Agreement is terminated and repaid in full prior to the Effective Time) the consummation of the transactions contemplated hereby and thereby and compliance with the provisions hereof will not (i) result in any loss, or suspension, limitation or impairment of any right of the Company or any of its Subsidiaries to own or use any assets required for the conduct of their business or result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation, first offer, first refusal, modification or acceleration of any material obligation or to the loss of a benefit under any loan, guarantee of indebtedness or credit agreement, note, bond, mortgage, indenture, lease, agreement, contract, instrument, permit, concession, franchise, right or license binding upon the Company or any of its Subsidiaries or by which or to which any of their respective properties, rights or assets are bound or subject, or result in the creation of any liens, claims, mortgages, encumbrances, pledges, security interests, equities or charges of any kind (excluding, in each case, transfer restrictions of general applicability pursuant to any securities Laws) (each, a Lien) other than Permitted Liens, in each case, upon any of the properties or assets of the Company or any of its Subsidiaries, except for such losses, suspensions, limitations, impairments, conflicts, violations, defaults, terminations, cancellation, accelerations, or Liens which have not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (ii) conflict with or result in any violation of any provision of the certificate of incorporation or bylaws or other equivalent organizational document, in each case as amended or restated, of the Company or any of its Subsidiaries or (iii) conflict with or violate any applicable Laws, except for such conflict or violation as has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

Section 3.4 Reports and Financial Statements.

(a) The Company and each of its Subsidiaries has filed or furnished all forms, documents and reports required to be filed or furnished prior to the date hereof by it with the U.S. Securities and Exchange Commission (the SEC) since January 1, 2012 (all such documents and reports filed or furnished by the Company or any of its Subsidiaries, the Company SEC Documents). As of their respective dates or, if amended, as of the date of the last such amendment, the Company SEC Documents complied in all material respects with the requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act of 2002 (the Sarbanes-Oxley Act), as the case may be, and the applicable rules and regulations promulgated thereunder, and none of the Company SEC Documents at the time they were filed or furnished contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. None of the Company s Subsidiaries is, or at any time since January 1, 2012 has been, required to file any forms, reports or other documents with the SEC.

(b) The consolidated financial statements (including all related notes and schedules) of the Company included in the Company SEC Documents (the Company Financial Statements) at the time they were filed or furnished (i) fairly present in all material respects the consolidated financial position of the Company and its consolidated Subsidiaries, as at the respective dates thereof, and the consolidated results of their operations and their consolidated cash flows for the respective periods then ended (except, in the case of unaudited statements, subject to normal year-end audit adjustments, the absence of notes and to any other adjustments described therein, including in any notes thereto), (ii) were prepared in conformity with U.S. generally accepted accounting principles (GAAP) applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto) and (iii) comply in all material respects with the applicable accounting requirements and with the rules and regulations of the SEC, the Exchange Act and the Securities Act.

(c) As of the date hereof, there are no outstanding or unresolved comments in any comment letters of the staff of the SEC received by the Company relating to the Company SEC Documents. As of the date hereof, none of the Company SEC Documents is, to the knowledge of the Company, the subject of ongoing SEC review.

(d) Neither the Company nor any of its Subsidiaries is a party to, nor does it have any commitment to become a party to, any joint venture, off-balance sheet partnership or any similar Contract (including any Contract relating to any transaction or relationship between or among the Company or one of its Subsidiaries, on the one hand, and any unconsolidated Affiliate, including any structured finance, special purpose or limited purpose entity or person, on the other hand) or any off-balance sheet arrangements (as defined in Item 303(a) of Regulation S-K of the SEC), where the result, purpose or effect of such Contract is to avoid disclosure of any material transaction involving, or material liabilities of, the Company or any of its Subsidiaries in the Company s financial statements or other Company SEC Documents.

Section 3.5 Internal Controls and Procedures. The Company has established and maintains disclosure controls and procedures and internal control over financial reporting (as such terms are defined in paragraphs (e) and (f), respectively, of Rule 13a-15 under the Exchange Act) as required by Rule 13a-15 under the Exchange Act. The Company s disclosure controls and procedures are reasonably designed to ensure that all material information required to be disclosed by the Company in the reports that it files or furnishes under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that all such material information is accumulated and communicated to the Company s management as appropriate to allow timely decisions regarding required disclosure and to make the certifications required pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act. The Company s management has completed an assessment of the effectiveness of the Company s internal control over financial reporting in compliance with the requirements of Section 404 of the Sarbanes-Oxley Act for the year ended December 31, 2014, and such assessment concluded that such controls were effective. Based on its most recent evaluation of internal controls over financial reporting prior to the date hereof, management of the Company has disclosed to the Company s auditors and the audit committee of the Company Board of Directors (i) any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting that are reasonably likely to adversely affect in any material respect the Company s ability to report financial information and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company s internal control over financial reporting, in each case, that was disclosed to the Company s auditors or the audit committee of the Company Board of Directors in connection with its most recent evaluation of internal controls over financial reporting prior to the date hereof.

Section 3.6 No Undisclosed Liabilities. There are no liabilities or obligations of the Company or any of its Subsidiaries, whether accrued, absolute, determined or contingent, except for (i) liabilities or obligations disclosed, reflected or reserved against in the balance sheets included in the Company Financial Statements (or in the notes thereto) filed and publicly available prior to the date of this Agreement, (ii) liabilities or obligations incurred in accordance with this Agreement and the Company Transaction Documents, (iii) liabilities or obligations incurred in the ordinary course of business since December 31, 2014 and (iv) liabilities or obligations that have not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

Table of Contents

Section 3.7 Compliance with Law; Permits.

(a) Except with respect to Gaming Laws, the Company and its Subsidiaries are in compliance with, and are not in default under or in violation of, any applicable federal, state, local or foreign law, statute, ordinance, rule, regulation, judgment, order, injunction, decree or agency requirement of any Governmental Entity (collectively, Laws and each, a Law), except where such non-compliance, default or violation have not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The Company and each of its Subsidiaries are in compliance with all Gaming Laws applicable to them or by which any of their respective properties are bound, except where any non-compliance would not be material to the Company and its Subsidiaries, taken as a whole. Since January 1, 2012, neither the Company nor any of its Subsidiaries has received any written notice or, to the knowledge of the Company, other communication from any Governmental Entity regarding any violation of, or failure to comply with, any Law, except where such violation or failure has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(b) The Company and its Subsidiaries are in possession of all material franchises, grants, authorizations, licenses, permits, easements, variances, exceptions, consents, certificates, approvals, clearances, permissions, qualifications and registrations and orders of all applicable Governmental Entities, and all rights under any Company Material Contract with all Governmental Entities, and have filed all tariffs, reports, notices and other documents with all Governmental Entities necessary for the Company and its Subsidiaries to own, lease and operate their properties and assets and to carry on their businesses as they are now being conducted (the Company Permits), except where the failure to possess or file the Company Permits has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, all Company Permits are in all respects valid and in full force and effect and are not subject to any administrative or judicial proceeding that would reasonably be expected to result in modification, termination or revocation thereof. Company and each of its Subsidiaries is in material compliance with the terms and requirements of all Company Permits, except where such noncompliance has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

Section 3.8 Environmental Laws and Regulations.

(a) The Company, its Subsidiaries and their ownership, occupation and use of any Real Property are, and have since January 1, 2010 been, in compliance with all applicable Environmental Laws, except where such noncompliance has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(b) There has been no release or disposal of any Hazardous Material by, at the direction of, for or on behalf of the Company or any of its Subsidiaries from, at, on or under any Company Owned Real Property or Company Leased Real Property, except for such release or disposal of Hazardous Materials has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(c) Neither the Company nor any of its Subsidiaries has received any written notice of claim, summons, order, direction or other communication relating to non-compliance with any Environmental Laws or permit issued pursuant to Environmental Laws from any Governmental Entity or other third party, except with respect to such communications relating to any such matters as has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(d) Neither the Company nor any of its Subsidiaries has received written notice of a pending investigation by a Governmental Entity with respect to any potential non-compliance with any Environmental Law or permit issued pursuant to Environmental Laws, except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

Table of Contents

(e) Neither the Company nor any of its Subsidiaries and no Company Owned Real Property or Company Leased Real Property is subject to any material agreement with or is subject to any Order by a Governmental Entity with respect to any Hazardous Material cleanup or violation of Environmental Laws.

(f) The Company and each of its Subsidiaries is in possession of all permits required pursuant to Environmental Laws necessary to carry on such person s business as it is currently being conducted, each such permit is valid and in full force and effect, neither the Company nor any of its Subsidiaries has received written notice of any adverse change in the status or terms and conditions of any such permit and neither the Company nor any of its Subsidiaries is in violation of any such permit, except for the failure to possess or comply with any such permit as has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(g) Neither the Company nor any of its Subsidiaries has received any written notice alleging that it has a liability pursuant to Environmental Laws in connection with any location where its wastes have come to be disposed, except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(h) To the knowledge of the Company, the Company has provided or made available to Parent correct and complete copies of all material environmental reports and studies received by the Company or any of its Subsidiaries since January 1, 2012, with respect to the business or assets of the Company and its Subsidiaries or any Real Property currently or formerly in the possession or control of the Company or any of its Subsidiaries related to compliance with Environmental Laws or the release of Hazardous Materials.

The representations and warranties set forth in this Section 3.8 are the Company s sole and exclusive representations and warranties relating to Environmental Laws, liabilities relating to the release or disposal of Hazardous Materials, or environmental matters generally.

Section 3.9 Employee Benefit Plans.

(a) No Company Benefit Plan is an employee benefit plan subject to Section 302 or Title IV of ERISA or Section 412, 430 or 4971 of the Code. None of the Company or any of its ERISA Affiliates has incurred or is reasonably expected to incur any Controlled Group Liability that has not been satisfied in full.

(b) Neither the Company, its Subsidiaries nor any of their respective ERISA Affiliates has, at any time during the preceding six years, contributed to, been obligated to contribute to or had any liability (including any contingent liability) with respect to any Multiemployer Plan or a plan that has two or more contributing sponsors, at least two of whom are not under common control, within the meaning of Section 4063 of ERISA.

(c) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (alone or in combination with any other event) result in any excess parachute payment (within the meaning of Section 280G of the Code) becoming due to any current or former employee, officer, director or consultant of the Company or any of its Subsidiaries.

(d) Section 3.9(d) of the Company Disclosure Letter sets forth a true and complete list as of July 16, 2015 of (i) the names of the holders of outstanding Pinnacle equity-based awards (other than vested Company Options) as to which all services creating the right to such awards (whether paid in cash or property) have been performed as of a particular taxable year of the Company but which have not been settled and would not be settled within the two-and-one-half month period following the end of such taxable year in which the last services required to earn the award were performed; and (ii) with respect to each such Person, the number of shares of Company Common Stock underlying such awards.

Section 3.10 Absence of Certain Changes or Events.

(a) From January 1, 2015 through the date of this Agreement, the businesses of each of Company and its Subsidiaries, as applicable, has been conducted in all material respects in the ordinary course of business, and none of the Company or any Subsidiary of the Company has undertaken any action that, if taken during the period from the date of this Agreement to the Effective Time, would constitute a breach of clauses (A), (E), (F), (I), (L) and (M) of Section 5.1(b).

(b) Since January 1, 2015 through the date of this Agreement, there has not been any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

Section 3.11 Investigations; Litigation. Except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (a) there are no actions, suits, inquiries, investigations, proceedings, subpoenas, civil investigative demands or other requests for information relating to potential violations of Law pending (or, to the knowledge of the Company, threatened) against or affecting the Company or any of its Subsidiaries, or any of their respective properties and (b) there are no orders, judgments or decrees of, or before, any Governmental Entity against the Company or any of its Subsidiaries.

Section 3.12 Information Supplied. The information supplied or to be supplied by the Company for inclusion in the registration statement on Form S-4 to be filed by Parent in connection with the Share Issuance (the Form S-4) shall not, at the time the Form S-4 is declared effective by the SEC, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading, except that no representation or warranty is made by the Company with respect to statements made therein based on information supplied by Parent or its Representatives in writing expressly for inclusion therein. The information supplied or to be supplied by the Company for inclusion in the joint proxy statement/prospectus included in the Form S-4 (the Joint Proxy Statement/Prospectus) will not, at the time the Joint Proxy Statement/Prospectus is first mailed to the stockholders of the Company and at the time of any meeting of Company stockholders to be held in connection with the Merger, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading, except that no representation or warranty is made by the Company with respect to statements made therein based on information supplied by Parent or its Representatives in writing expressly for inclusion therein. The Form S-4 and the Joint Proxy Statement/Prospectus (solely with respect to the portion thereof relating to the Company Stockholders Meeting but excluding any portion thereof based on information supplied by Parent or its Representatives in writing expressly for inclusion therein, with respect to which no representation or warranty is made by the Company) will comply as to form in all material respects with the provisions of the Securities Act and the Exchange Act and the rules and regulations promulgated thereunder. The information relating to the Company and its Subsidiaries which is provided by the Company or its Representatives (a) in any document filed with any Gaming Authority in connection herewith and (b) in the Spin-Off Registration Statement shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

Section 3.13 Anti-Bribery.

(a) Since January 1, 2014, neither the Company nor its Subsidiaries, to the knowledge of the Company, in each case, acting on behalf of Company or any of its Subsidiaries, have taken any action in violation of the Foreign Corrupt Practices Act of 1977, as amended, and any rules or regulations promulgated thereunder (the FCPA), except where such action would not be material to the Company and its Subsidiaries, taken as a whole.

(b) Since January 1, 2014, neither the Company nor its Subsidiaries, to the knowledge of the Company, has been subject to any actual, pending, or threatened civil, criminal, or administrative actions, suits, demands,

Table of Contents

claims, hearings, notices of violation, investigations, proceedings, demand letters, settlements, or enforcement actions, or made any voluntary disclosures to any Governmental Entity, involving the Company or any Company or its Subsidiaries in any way relating to the FCPA, except where such actions, suits, demands, claims, hearings, notices of violation, investigations, proceedings, demand letters, settlements, or enforcement actions, or disclosures would not be material to the Company and its Subsidiaries, taken as a whole.

Section 3.14 Tax Matters.

(a) Except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) the Company and each of its Subsidiaries have prepared and timely filed (taking into account any valid extension of time within which to file) all Tax Returns required to be filed by any of them and all such Tax Returns are complete and accurate, (ii) the Company and each of its Subsidiaries have timely paid all Taxes that are required to be paid by any of them or that the Company or any of its Subsidiaries are obligated to withhold from amounts owing to any employee, creditor, stockholders or third party (in each case, whether or not shown on any Tax Return), except with respect to matters contested in good faith through appropriate proceedings and for which adequate reserves have been established, in accordance with GAAP on the financial statements of the Company and its Subsidiaries contained in the Company SEC Documents filed prior to the date hereof, (iii) the federal consolidated income tax returns of the Company and its Subsidiaries have been examined through the Tax year ending 2010, and there are no currently effective waivers of any statute of limitations with respect to Taxes or extensions of time with respect to a Tax assessment or deficiency, (iv) all assessments for Taxes due with respect to completed and settled examinations or any concluded litigation have been fully paid, (v) there are no audits, examinations, investigations or other proceedings pending or threatened in writing in respect of Taxes or Tax matters of the Company or any of its Subsidiaries, (vi) there are no Liens for Taxes on any of the assets of the Company or any of its Subsidiaries other than statutory Liens for Taxes not yet due and payable, (vii) except as contemplated by the OpCo Spin-Off Agreements, neither the Company nor any of its Subsidiaries is a party to any agreement or arrangement relating to the apportionment, sharing, assignment or allocation of any Tax or Tax asset (other than an agreement or arrangement solely among members of a group the common parent of which is the Company) or has any liability for Taxes of any person (other than the Company or any of its Subsidiaries) under Treasury Regulation Section 1.1502-6 (or any analogous or similar provision of state, local or foreign Tax Law), as transferee, successor, or otherwise, and (viii) none of the Company or any of its Subsidiaries has been a party to any listed transaction within the meaning of Treasury Regulation 1.6011-4(b)(2).

(b) None of the Company or any of its Subsidiaries has been a controlled corporation or a distributing corporation in any distribution that was purported or intended to be governed by Section 355 of the Code (or any similar provision of state, local or foreign Law) occurring during the two-year period ending on the date hereof.

(c) Neither the Company nor any of its Subsidiaries has taken or agreed to take any action or knows of any fact, agreement, plan or other circumstance that is reasonably likely to prevent or impede the Merger from qualifying as a reorganization under Section 368(a) of the Code.

(d) The Company s aggregate current and accumulated earnings and profits as of December 31, 2014 did not exceed $0.00.

Section 3.15 Assets and Properties.

(a) Except as set forth in Section 3.15 of the Company Disclosure Letter, and except for the Excluded Company Real Property, (i) either the Company or a Subsidiary of the Company has good and valid title, and as of the Effective Time, PropCo will have good and valid title, subject to Permitted Liens and any encumbrances and obligations that run with the land (including, but not limited to, easements and right-of-way agreements), to each real property owned by the Company or any Subsidiary of the Company (such owned property collectively, the Company Owned Real Property) and (ii) either the Company or a Subsidiary of the Company has a good and valid leasehold interest, and as of the Effective Time, PropCo will have good and valid leasehold interest, in each material lease, material sublease and other material agreement under which the Company or any of its Subsidiaries uses or occupies or has the right to use or occupy any real property (including real property at which operations of the Company or any of its Subsidiaries are conducted) (such property, the Company Leased Real Property and such leases, subleases and other agreements are, collectively, the Company Real Property Leases), in each case, free and clear of all Liens other than any Permitted Liens and any Lien affecting solely the interest of the landlord thereunder. Each Company Real Property Lease is, and after giving effect to the Distribution will be, valid, binding and in full force and effect, subject to the limitation of such enforcement by the Remedies Exceptions. No uncured default of a material nature on the part of the Company or, if applicable, its Subsidiary or, to the knowledge of the Company, the landlord or sublandlord thereunder (as applicable), exists under any Company Real Property Lease, and no event has occurred or circumstance exists which, with the giving of notice, the passage of time, or both, would constitute a material breach or default under a Company Real Property Lease. Section 3.15(a) of the Company Disclosure Letter sets forth a correct and complete list, as of the date hereof, of the Company Owned Real Property and the Company Leased Real Property.

(b) There are no leases, subleases, licenses, rights or other agreements affecting any portion of the Company Owned Real Property or the Company Leased Real Property that would reasonably be expected to adversely affect the existing use of such Company Owned Real Property or the Company Leased Real Property by the Company or its Subsidiaries in the operation of its business thereon. There are no outstanding options or rights of first refusal in favor of any other party to purchase any Company Owned Real Property or any portion thereof or interest therein that would reasonably be expected to adversely affect the existing use of the Company Owned Real Property by the Company in the operation of its business thereon. Neither the Company nor any of its Subsidiaries is currently subleasing, licensing or otherwise granting any person the right to use or occupy a material portion of a Company Owned Real Property or Company Leased Real Property that would reasonably be expected to adversely affect in any material respect the existing use of such Company Owned Real Property or Company Leased Real Property in the operation of the business conducted thereon as currently conducted.

(c) Section 3.15(c) of the Company Disclosure Letter contains a list of each Vessel and such list includes all Vessels used by the Company and its Subsidiaries in the conduct of the Company s and its Subsidiaries business. The Company or a Subsidiary of the Company owns and has good and merchantable title to the Vessels, subject to any Permitted Liens. Except as would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the operations or business of the Company and its Subsidiaries, taken as a whole, (i) each Vessel is currently documented with and has a current and valid certificate of inspection issued by, the United States Coast Guard or other applicable Governmental Entity, (ii) each Vessel is owned by, and on the Closing Date will be owned by, a citizen of the United States, pursuant to 46 U.S.C. §50501, as amended, and such citizen is eligible to own and operate the Vessel in the coastwise trade of the United States, (iii) the Vessels are in sufficient condition and repair and are adequate for the use, occupancy and operation of the business of the Company and its Subsidiaries, and (iv) to the knowledge of the Company, the improvements situated on the Vessels are free from structural defects and violations of Laws applicable thereto.

Section 3.16 Insurance. Except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, as of the date hereof (a) all insurance policies held by the Company or any of its Subsidiaries for the benefit of the Company or any of its Subsidiaries as of the date hereof (each, a Company Insurance Policy) are in full force and effect, (b) all premiums due and payable in respect of such insurance policies have been timely paid, and (c) neither the Company nor any of its Subsidiaries has reached or exceeded its policy limits for any such insurance policies. The Company and its Subsidiaries have complied in all material respects with the provisions of each Company Insurance Policy under which such person is the insured party. Neither the Company nor any of its Subsidiaries has received any written notice of cancellation of any Company Insurance Policy, and there is no material claim by the Company or any of its Subsidiaries pending under any Company Insurance Policy as to which coverage has been denied or disputed.

Section 3.17 Opinion of Financial Advisor. The Company Board of Directors has received the oral opinion of Goldman, Sachs & Co. (to be confirmed by delivery of a written opinion) to the effect that, as of the date thereof and subject to the assumptions, limitations, qualifications and other matters considered in the preparation thereof, the Exchange Ratio to be paid for each share of Company Common Stock pursuant to this Agreement is fair, from a financial point of view, to the holders of shares of Company Common Stock. The Company shall, promptly following the execution of this Agreement by all parties, furnish an accurate and complete copy of said written opinion to Parent solely for informational purposes. The Company and Parent have been authorized by Goldman Sachs, & Co. to permit the inclusion of such written opinion of Goldman, Sachs & Co. in its entirety and references thereto in the Form S-4 and the Joint Proxy Statement/Prospectus, subject to prior review and consent by Goldman Sachs & Co.

Section 3.18 Material Contracts.

(a) Except for this Agreement, the Company Benefit Plans, the OpCo Spin-Off Agreements and agreements filed as exhibits to the Company SEC Documents (including, for the avoidance of doubt, those that are filed with the SEC at any time prior to the date hereof and incorporated by reference thereto), as of the date of this Agreement, neither the Company nor any of its Subsidiaries is a party to or bound by (for avoidance of doubt, each of clauses (i) through (xii) below being subject to the first sentence of the preamble to this Article III and shall only apply to the extent any Contract or arrangement referred to in clauses (i) through (xii) would be binding on PropCo or its Subsidiaries at the Effective Time):

(i) any material contract (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC);

(ii) any material Contract that will be binding on PropCo or any of its Subsidiaries as of the Effective Time;

(iii) any Contract that involved individual or aggregate payments or consideration of more than $500,000 in the twelve-month period ended June 30, 2015, or is expected to involve individual or aggregate payments or consideration of more than $500,000 in the twelve-month period beginning June 30, 2015 (it being understood that the Company is not making any representation or warranty as to the actual amount of future payments that will be received under any such Contract), for goods and services furnished by or to the Company or any of its Subsidiaries;

(iv) any Company Real Property Leases having a remaining term of more than twelve (12) months and involving a payment of more than $100,000 annually;

(v) any Contract under which the Company or any of its Subsidiaries has continuing material indemnification, earnout or similar obligations to any third person, other than those entered into in the ordinary course of business consistent with past practice;

(vi) any Contract for capital expenditures involving payments of more than $1,000,000 individually or in the aggregate, by or on behalf of PropCo or any of its Subsidiaries;

(vii) any Contract involving a joint venture or strategic alliance or partnership agreement or other sharing of profits or losses with any person;

(viii) any Contract relating to indebtedness under which the principal amount outstanding thereunder payable by the Company or any of its Subsidiaries is greater than $1,000,000;

(ix) any Contract containing covenants by the Company or any of its Affiliates not to (A) compete with any person or (B) engage in any line of business or activity in any geographic location, in each case that would be material to the

Company;

(x) any Contract evidencing an outstanding loan, advance or investment by the Company or any of its Subsidiaries to or in any person (other than any other Subsidiary of the Company) of more than

$10,000,000 in the aggregate (excluding trade receivables and advances to employees for normally incurred business expenses, each arising in the ordinary course of business consistent with past practice);

(xi) any Order or settlement or conciliation agreement with any Governmental Entity; and

(xii) any Contract involving the sale, transfer or acquisition of any business entered into by the Company or any Subsidiary of the Company in the three (3) years preceding the date of this Agreement.

All contracts of the types referred to in clauses (i) through (xii) above are referred to herein as a Company Material Contract.

(b) Except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) neither the Company nor any Subsidiary of the Company is in breach of or default under the terms of any Company Material Contract and, to the knowledge of the Company, no other party to any Company Material Contract is in breach of or default under the terms of any Company Material Contract and (ii) each Company Material Contract is a valid and binding obligation of the Company or the Subsidiary of the Company, that is party thereto and, to the knowledge of the Company, of each other party thereto, and is in full force and effect, subject to the Remedies Exceptions.

Section 3.19 Finders or Brokers. Except for Goldman, Sachs & Co., neither the Company nor any of its Subsidiaries has employed any investment banker, broker or finder in connection with the transactions contemplated by this Agreement (including the Distribution) who would be entitled to any fee or any commission in connection with or upon consummation of the transactions contemplated by this Agreement (including the Distribution).

Section 3.20 State Takeover Statutes. Assuming the accuracy of the representation contained in Section 4.12, the Company Board of Directors has taken all action necessary to render inapplicable to this Agreement and the OpCo Spin-Off Agreements and the transactions contemplated hereby and thereby all applicable state anti-takeover statutes or regulations (including §203 of the DGCL) and any similar provisions in the Company s certificate of incorporation or bylaws. Assuming the accuracy of the representations and warranties contained in Section 4.12, as of the date of this Agreement, no fair price, business combination, moratorium, control share acquisition or other anti-takeover statute or similar statute or regulation enacted by any state will prohibit or impair the consummation of the Merger or the other transactions contemplated by this Agreement.

Section 3.21 Affiliate Transactions. To the knowledge of the Company, no officer, director or Affiliate of the Company or its Subsidiaries or any individual in such officer s or director s immediate family (a) owns any property or right, tangible or intangible, that is material to the conduct of the business of the Company or its Subsidiaries, (b) with the exception of liabilities incurred in the ordinary course of business, owes money to, or is owed money by, the Company or its Subsidiaries or (c) is a party to or the beneficiary of any Contract with the Company or its Subsidiaries, except in each case for compensation and benefits payable under any Company Benefit Plans to officers and employees in their capacity as officers and employees. Except as disclosed in the Company SEC Documents, there are no Contracts between the Company or any of its Subsidiaries, on the one hand, and any officer, director or Affiliate of the Company or its Subsidiaries or any individual in such officer s or director s immediate family, on the other hand.

Section 3.22 Rights Plan. Prior to the execution of this Agreement, the Company has amended the Rights Plan so that (a) neither the execution, delivery, performance or approval of this Agreement or the other contracts or instruments related hereto, nor the consummation, announcement, or announcement of the consummation, of the transactions contemplated hereby or by the OpCo Spin-Off Agreements, including the Merger, will (i) cause

A-19

Table of Contents

the Company Rights to become exercisable, (ii) cause Parent, Merger Sub or any of their Affiliates or Associates (as such terms are defined in the Rights Plan) to become an Acquiring Person (as defined in the Rights Plan) or (iii) give rise to a Stock Acquisition Date, Distribution Date or Triggering Event (as such terms are defined in the Rights Plan), and (b) the Company Rights will expire in their entirety immediately prior to the Effective Time without any payment being made in respect thereof. The Company has made available to Parent a complete and correct copy of such amendment substantially in the form to be executed immediately prior to this Agreement (the Rights Plan Amendment).

Section 3.23 No Vote Required to Effect Distribution. No vote is required by the holders of any class or series of the Company s capital stock to permit the Company to effect the Distribution under applicable Law or pursuant to the rules of the NYSE.

Section 3.24 Company Financing.

(a) The Company has delivered to Parent a true, complete and correct copy of a fully executed debt commitment letter, dated July 20, 2015 and fully executed fee letters relating thereto (provided that the fee amounts and other economic terms may be redacted) (such commitment letter and fee letters, including all exhibits, schedules, annexes and joinders thereto, as the same may be amended, modified, supplemented, extended or replaced from time to time in compliance with Section 5.17(j) is referred to herein as the Company Financing Commitment), among the Company and JPMorgan Chase Bank, N.A., J.P. Morgan Securities, LLC, Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Goldman Sachs Bank USA, Fifth Third Bank, U.S. Bank National Association, Credit Agricole Corporate and Investment Bank, Deutsche Bank AG New York Branch, Deutsche Bank Securities, Inc., Wells Fargo Bank, National Association and Wells Fargo Securities, LLC (the Company Lenders) pursuant to which, among other things, the Company Lenders have agreed, subject to the terms and conditions of the Company Financing Commitment, to provide or cause to be provided, on a several and not joint basis, the financing commitments described therein. The debt financing contemplated under the Company Financing Commitment is referred to herein as the Company Debt Financing.

(b) The Company Financing Commitment is, as of the date hereof, in full force and effect. The Company Financing Commitment is the legal, valid, binding and enforceable obligation of the Company and, to the knowledge of the Company, the other parties thereto (except to the extent enforcement may be limited by the Remedies Exceptions). The Company Financing Commitment has not been or will not be amended, modified, supplemented, extended or replaced, except as permitted by Section 5.17(j). As of the date hereof, (i) neither the Company nor, to the knowledge of the Company, any other counterparty thereto is in breach of any of its covenants or other obligations set forth in, or is in default under, the Company Financing Commitment and (ii) no event has occurred which, with or without notice, lapse of time or both, would or would reasonably be expected to (A) constitute or result in a breach or default on the part of the Company (or, to the knowledge of the Company, any Company Lender) under the Company Financing Commitment, (B) constitute or result in a failure to satisfy a condition or other contingency set forth in the Company Financing Commitment, or (C) otherwise result in any portion of the Company Debt Financing not being available. As of the date hereof, the Company has not received any notice or other communication from any party to the Company Financing Commitment with respect to (i) any actual or potential breach or default on the part of the Company or any other party to the Company Financing Commitment, or (ii) any intention of such party to terminate the Company Financing Commitment or to not provide all or any portion of the Company Debt Financing. As of the date hereof, the Company: (i) has no reason to believe that, assuming the satisfaction of the conditions set forth in Section 6.1 and Section 6.2 hereof, it will be unable to satisfy on a timely basis each term and condition relating to the closing or funding of the Company Debt Financing and (ii) knows of no fact, occurrence, circumstance or condition that, assuming the satisfaction of the conditions set forth in Section 6.1 and Section 6.2 hereof, would reasonably be expected to (A) cause the Company Financing Commitment to fail to be satisfied, to terminate, to be withdrawn, modified, repudiated or rescinded or to be or become ineffective, or (B) otherwise cause the full amount (or any portion) of the funds contemplated to be available under the Company Financing Commitment on the Closing Date to not be available to the Company on a timely basis (and in any event as of the Closing Date) (except to the extent the Company Financing Commitment is replaced as a result of a Company Permanent Financing). As of the date hereof, there are no conditions precedent or other contingencies related to the funding of the full amount of the Company Debt Financing other than as expressly set forth in the Company Financing Commitment. There are no side letters or other agreements, contracts or arrangements (except for customary engagement letters which do not contain provisions that impose any additional conditions or other contingencies to the funding of the Company Debt Financing not otherwise set forth in the Company Financing Commitment, true, correct and complete copies of which have been provided to Parent (subject to redactions as to economic terms or fee amounts)), whether written or oral, related to the funding of the full amount of the Company Debt Financing other than as expressly set forth in or expressly contemplated by the Company Financing Commitment. As of the date hereof, subject to the terms and conditions of the Company Financing Commitment, and subject to the terms and conditions of this Agreement, the aggregate proceeds contemplated by the Company Financing Commitment will be sufficient for the Company to make the OpCo Cash Payment (as such term is defined in the Separation and Distribution Agreement) upon the terms contemplated by this Agreement and the Separation and Distribution Agreement on the Closing Date.

Section 3.25 No Additional Representations. Except for the representations and warranties contained in this Article III or in any certificates delivered by the Company in connection with the Merger, each of Parent and Merger Sub acknowledges that neither the Company, OpCo nor any person on behalf of the Company makes any other express or implied representation or warranty with respect to the Company or any of its respective Subsidiaries pursuant to this Agreement or with respect to any other information provided to Parent or Merger Sub in connection with the transactions contemplated hereby, including the accuracy, completeness or currency thereof. Except as otherwise expressly provided in the Company Transaction Documents and to the extent any such information is expressly included in a representation or warranty contained in this Article III, neither the Company, OpCo nor any other person will have or be subject to any liability or obligation to Parent, Merger Sub or any other person resulting from the distribution or failure to distribute to Parent or Merger Sub, or Parent s or Merger Sub s use of, any such information, including any information, documents, projections, estimates, forecasts or other material made available to Parent or Merger Sub in any electronic data room for Project Levitate and maintained by the Company for purposes of the Merger and the other transactions contemplated by this Agreement or management presentations in expectation of the transactions contemplated by this Agreement.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Except as disclosed in the Parent SEC Documents filed since January 1, 2014 and prior to the date hereof (excluding any disclosures set forth in any such Parent SEC Document in any risk factor section, any disclosure in any section relating to forward-looking statements or any other statements that are non-specific, predictive or primarily cautionary in nature other than historical facts included therein), where the relevance of the information as an exception to (or disclosure for purposes of) a particular representation is reasonably apparent on the face of such disclosure, or in the disclosure letter delivered by Parent to the Company immediately prior to the execution of this Agreement (the Parent Disclosure Letter) (each section of which qualifies the correspondingly numbered representation, warranty or covenant if specified therein and such other representations, warranties or covenants where its relevance as an exception to (or disclosure for purposes of) such other representation, warranty or covenant is reasonably apparent on the face of such disclosure), Parent and Merger Sub represent and warrant to the Company as follows:

Section 4.1 Qualification, Organization, Subsidiaries, Capitalization.

(a) Each of Parent and Merger Sub (a) is a corporation or limited liability company, respectively, duly organized, validly existing and in good standing under (i) the Laws of the Commonwealth of Pennsylvania (in

Table of Contents

the case of Parent) or (ii) the State of Delaware (in the case of Merger Sub) and (b) has all requisite corporate or similar power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted.

(b) Each of the Parent s Subsidiaries is a legal entity duly organized, validly existing and in good standing under the Laws of its respective jurisdiction of organization and has all requisite corporate or similar power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted, except where the failure to have such power or authority has not had or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Each of the Parent and its Subsidiaries is duly qualified or licensed and has all necessary governmental approvals, to do business and is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such approvals, qualification or licensing necessary; except where the failure to be so duly approved, qualified or licensed and in good standing has not had or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(c) Parent has made available prior to the date of this Agreement a true and complete copy of Parent s certificate of incorporation and bylaws now in effect.

(d) The authorized capital stock of Parent consists of (i) 500,000,000 shares of common stock, par value $0.01 per share (the Parent Common Stock), (ii) 50,000,000 shares of preferred stock, par value $0.01 per share (the Parent Preferred Stock). As of July 15, 2015, 114,413,178 shares of Parent Common Stock are issued and outstanding and no shares of Parent Preferred Stock are issued and outstanding. All outstanding shares of Parent Common Stock are, and shares of Parent Common Stock to be issued or reserved for issuance in connection with the Merger, when issued in accordance with the respective terms thereof, will be, duly authorized, validly issued, fully paid and nonassessable and free of preemptive rights.

(e) Except as set forth in this Section 4.1, as contemplated by this Agreement or as disclosed in the Parent SEC Documents, as of the date of this Agreement, there are no (i) other classes of equity securities of Parent, or other securities exchangeable into, convertible into or exercisable for such equity securities, that are issued, reserved for issuance or outstanding, (ii) warrants, calls, options or other rights to acquire from Parent, or other obligation of Parent to issue, any shares of capital stock, voting securities or securities convertible into or exchangeable for capital stock or other voting securities of or other ownership interests in Parent, (iii) restricted shares, stock appreciation rights, performance units, contingent value rights, phantom stock or similar securities or rights issued or granted by Parent that are derivative of, or provide economic benefits based, directly or indirectly, on the value or price of, any shares of capital stock or other voting securities of or other ownership interests in Parent or (iv) outstanding obligations of Parent or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of the Parent Common Stock.

Section 4.2 Corporate Authority Relative to this Agreement; No Violation.

(a) Each of Parent and Merger Sub has the requisite corporate or similar power and authority to enter into this Agreement and the OpCo Spin-Off Agreements, as may be applicable, and each other document to be entered into by Parent in connection with the transactions contemplated hereby and thereby (together with this Agreement, the Parent Transaction Documents), subject to the receipt of approval of the Share Issuance by the affirmative vote of a majority of votes cast by holders of Parent Common Stock (the Parent Shareholder Approval) present at a meeting of Parent s shareholders (the Parent Shareholders Meeting), to consummate the transactions contemplated hereby and thereby, including the Merger. The execution and delivery by Parent and Merger Sub of this Agreement and the consummation of the transactions contemplated hereby has been, and the execution, delivery and performance by Parent and Merger

Sub of the other Parent Transaction Documents and the consummation of the transactions contemplated thereby has been or shall be, duly and validly authorized by all necessary corporate action on the part of Parent and Merger Sub, and, except for the Parent Shareholder Approval and the filing of the Certificate of Merger with the Secretary of State of Delaware, no other corporate proceedings on the part of either Parent or Merger Sub or vote of Parent s securityholders are necessary to authorize the execution and delivery by Parent and Merger Sub of this Agreement and the consummation of the Merger and the transactions contemplated hereby and thereby. The Parent Board of Directors has (i) unanimously determined that this Agreement and the Merger are in the best interests of Parent and its shareholders, (ii) approved the execution, delivery and performance of this Agreement (including the Merger and the Share Issuance) and (iii) resolved to recommend the approval by its shareholders of the Share Issuance and to submit the Share Issuance to the shareholders of Parent for approval. This Agreement has been, and the Parent Transaction Documents shall be, duly and validly executed and delivered by each of Parent and Merger Sub, and assuming this Agreement and Parent Transaction Documents constitute the legal, valid and binding agreement of the counterparty thereto, this Agreement constitutes, and the Parent Transaction Documents shall constitute, the legal, valid and binding agreement of Parent or Merger Sub, as the case may be, enforceable against each of them, in accordance with their terms, except as such enforcement may be subject to the Remedies Exceptions.

(b) Other than in connection with or in compliance with (i) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware, (ii) the Exchange Act, and the rules promulgated thereunder, (iii) the Securities Act, and the rules promulgated thereunder, (iv) applicable state securities, takeover and blue sky Laws, (v) the rules and regulations of NASDAQ, and (vi) compliance with and obtaining such Gaming Approvals as may be required under applicable Gaming Laws (collectively, the Parent Approvals), and, subject to the accuracy of the representations and warranties of the Company in Section 3.3(b), no authorization, consent, order, license, permit or approval of, or registration, declaration, notice or filing with, any Governmental Entity is necessary, under applicable Law, for the consummation by Parent or Merger Sub of the transactions contemplated by this Agreement, except for such authorizations, consents, orders, licenses, permits, approvals or filings that are not required to be obtained or made prior to consummation of such transactions or that, if not obtained or made, would not materially impede or delay the consummation of the Merger and the other transactions contemplated by this Agreement and have not had or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(c) The execution and delivery by Parent and Merger Sub of this Agreement and the other Parent Transaction Documents do not, and (assuming the Parent Approvals are obtained) the consummation of the transactions contemplated hereby and thereby and compliance with the provisions hereof will not (i) result in any loss, or suspension, limitation or impairment of any right of Parent or any of its Subsidiaries to own or use any assets required for the conduct of their business or result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation, first offer, first refusal, modification or acceleration of any material obligation or to the loss of a benefit under any loan, guarantee of indebtedness or credit agreement, note, bond, mortgage, indenture, lease, agreement, contract, instrument, permit, concession, franchise, right or license binding upon Parent or any of its Subsidiaries or by which or to which any of their respective properties, rights or assets are bound or subject, or result in the creation of any Liens other than Permitted Liens, in each case, upon any of the properties or assets of Parent or any of its Subsidiaries, except for such losses, impairments, suspensions, limitations, conflicts, violations, defaults, terminations, cancellation, accelerations, or Liens which have not had or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, (ii) conflict with or result in any violation of any provision of the certificate of incorporation or bylaws or other equivalent organizational document, in each case as amended or restated, of Parent or any of its Subsidiaries or (iii) conflict with or violate any applicable Laws, except for conflict or violation as has not had or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

Section 4.3 Reports and Financial Statements.

(a) Parent and each of its Subsidiaries has filed or furnished all forms, documents and reports required to be filed or furnished prior to the date hereof by it with the SEC since November 1, 2013 (all such documents and reports filed or furnished by Parent or any of its Subsidiaries, the Parent SEC Documents). As of their respective dates or, if amended, as of the date of the last such amendment, the Parent SEC Documents complied in all material respects with the requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as the case may be, and the applicable rules and regulations promulgated thereunder, and none of the Parent SEC Documents at the time they were filed or furnished contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. None of Parent s Subsidiaries is, or at any time since November 1, 2013 has been, required to file any forms, reports or other documents with the SEC.

(b) The consolidated financial statements (including all related notes and schedules) of Parent included in the Parent SEC Documents at the time they were filed or furnished (i) fairly present in all material respects the consolidated financial position of Parent and its consolidated Subsidiaries, as at the respective dates thereof, and the consolidated results of their operations and their consolidated cash flows for the respective periods then ended (except, in the case of unaudited statements, subject to normal year-end audit adjustments, the absence of notes and to any other adjustments described therein, including in any notes thereto), (ii) were prepared in conformity with GAAP applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto) and (iii) comply in all material respects with the applicable accounting requirements and with the rules and regulations of the SEC, the Exchange Act and the Securities Act.

(c) As of the date hereof, there are no outstanding or unresolved comments in any comment letters of the staff of the SEC received by Parent relating to the Parent SEC Documents.

(d) Neither Parent nor any of its Subsidiaries is a party to, nor does it have any commitment to become a party to, any joint venture, off-balance sheet partnership or any similar Contract (including any Contract relating to any transaction or relationship between or among Parent or one of its Subsidiaries, on the one hand, and any unconsolidated Affiliate, including any structured finance, special purpose or limited purpose entity or person, on the other hand) or any off-balance sheet arrangements (as defined in Item 303(a) of Regulation S-K of the SEC), where the result, purpose or effect of such Contract is to avoid disclosure of any material transaction involving, or material liabilities of, Parent or any of its Subsidiaries in Parent s financial statements or other Parent SEC Documents.

Section 4.4 Internal Controls and Procedures. Parent has established and maintains disclosure controls and procedures and internal control over financial reporting (as such terms are defined in paragraphs (e) and (f), respectively, of Rule 13a-15 under the Exchange Act) as required by Rule 13a-15 under the Exchange Act. Parent s disclosure controls and procedures are reasonably designed to ensure that all material information required to be disclosed by Parent in the reports that it files or furnishes under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that all such material information is accumulated and communicated to Parent s management as appropriate to allow timely decisions regarding required disclosure and to make the certifications required pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act. Parent s management has completed an assessment of the effectiveness of Parent s internal control over financial reporting in compliance with the requirements of Section 404 of the Sarbanes-Oxley Act for the year ended December 31, 2014, and such assessment concluded that such controls were effective. Based on its most recent evaluation of internal controls over financial reporting prior to the date hereof, management of Parent has disclosed to Parent s auditors and the audit committee of the Parent Board of Directors (i) any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting that are reasonably likely to adversely affect in any material respect Parent s ability to report financial information and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in Parent s internal control over financial reporting, in each case, that was disclosed to Parent s auditors or the audit committee of the Parent Board of Directors in connection with its most recent evaluation of internal controls over financial reporting prior to the date hereof.

Section 4.5 No Undisclosed Liabilities. There are no liabilities or obligations of Parent or any of its Subsidiaries, whether accrued, absolute, determined or contingent, except for (i) liabilities or obligations disclosed, reflected or reserved against in the balance sheets included in the Parent financial statements (or in the notes thereto) filed and publicly available prior to the date of this Agreement, (ii) liabilities or obligations incurred in accordance with or in connection with this Agreement and the Parent Transaction Documents, and (iii) liabilities or obligations incurred in the ordinary course of business since December 31, 2014 and (iv) liabilities or obligations that have not had or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

Section 4.6 Compliance with Law; Material Contracts.

(a) Except with respect to Gaming Laws, Parent and its Subsidiaries are in compliance with, and are not in default under or in violation of, any Laws, except where such non-compliance, default or violation has not had or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Since November 1, 2013, neither Parent nor any of its Subsidiaries has received any written notice or, to the knowledge of Parent, other communication from any Governmental Entity regarding any actual or possible violation of, or failure to comply with, any Law, except where such violation or failure has not had or would not reasonably expected to have, in the individual or in the aggregate, a Parent Material Adverse Effect. Parent and each of its Subsidiaries are in compliance with all Gaming Laws applicable to them or by which any of their respective properties are bound, except where any non-compliance would not be material to the operations or business of Parent and its Subsidiaries, taken as a whole.

(b) Except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, (i) neither Parent nor any Subsidiary of Parent is in breach of or default under the terms of any material Contract to which Parent or any of its Subsidiaries is a party (the Parent Material Contracts) and, to the knowledge of Parent, no other party to any Parent Material Contracts is in breach of or default under the terms of any Parent Material Contract and (ii) each Parent Material Contract is a valid and binding obligation of Parent or the Subsidiary of Parent that is party thereto and, to the knowledge of Parent, of each other party thereto, and is in full force and effect, subject to the Remedies Exceptions.

Section 4.7 Absence of Certain Changes or Events.

(a) From January 1, 2015 through the date of this Agreement, the businesses of Parent and its Subsidiaries have been conducted in all material respects in the ordinary course of business.

(b) Since January 1, 2015 through the date of this Agreement, there has not been any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect and none of Parent or any Subsidiary of Parent has undertaken any action that, if taken during the period from the date of this Agreement to the Effective Time, would constitute a breach of clause (A) of Section 5.1(d).

Section 4.8 Investigations; Litigation. Except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, (a) there are no actions, suits, inquiries, investigations, proceedings, subpoenas, civil investigative demands or other requests for information relating to potential violations of Law pending (or, to the knowledge of Parent, threatened) against or affecting Parent or any of its Subsidiaries, or any of their respective properties and (b) there are no orders, judgments or decrees of, or before, any Governmental Entity against Parent or any of its Subsidiaries.

Section 4.9 Information Supplied. The information supplied or to be supplied by Parent for inclusion in the Form S-4 shall not, at the time the Form S-4 is declared effective by the SEC, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading, except that no representation or warranty is made by Parent with respect to statements made therein based on information supplied by the Company in writing expressly for inclusion therein. The information supplied or to be supplied by Parent or its Representatives for inclusion in the Joint Proxy Statement/Prospectus shall not, at the time the

Table of Contents

Joint Proxy Statement/Prospectus is first mailed to the stockholders of the Company and at the time of any meeting of Company stockholders to be held in connection with the Merger, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading, except that no representation or warranty is made by Parent with respect to statements made therein based on information supplied by the Company in writing expressly for inclusion therein. The Form S-4 and the Joint Proxy Statement/Prospectus (solely with respect to the portion thereof based on information supplied or to be supplied by Parent or its Representatives for inclusion therein, but excluding any portion thereof based on information supplied by the Company in writing expressly for inclusion therein, with respect to which no representation or warranty is made by Parent) will comply as to form in all material respects with the provisions of the Securities Act and the Exchange Act and the rules and regulations promulgated thereunder. The information relating to Parent and Merger Sub which is provided by the Parent or its Representatives in any document filed with any Gaming Authority in connection herewith shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

Section 4.10 Tax Matters.

(a) Except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, (i) Parent and each of its Subsidiaries have prepared and timely filed (taking into account any valid extension of time within which to file) all Tax Returns required to be filed by any of them and all such Tax Returns are complete and accurate, (ii) Parent and each of its Subsidiaries have timely paid all Taxes that are required to be paid by any of them or that Parent or any of its Subsidiaries are obligated to withhold from amounts owing to any employee, creditor, stockholders or third party (in each case, whether or not shown on any Tax Return), except with respect to matters contested in good faith through appropriate proceedings and for which adequate reserves have been established, in accordance with GAAP on the financial statements of Parent and its Subsidiaries contained in the Parent SEC Documents filed prior to the date hereof, (iii) there are no currently effective waivers of any statute of limitations with respect to Taxes or extensions of time with respect to a Tax assessment or deficiency, (iv) all assessments for Taxes due with respect to completed and settled examinations or any concluded litigation have been fully paid, (v) there are no audits, examinations, investigations or other proceedings pending or threatened in writing in respect of Taxes or Tax matters of Parent or any of its Subsidiaries, (vi) there are no Liens for Taxes on any of the assets of Parent or any of its Subsidiaries other than statutory Liens for Taxes not yet due and payable, and (vii) none of Parent or any of its Subsidiaries has been a party to any listed transaction within the meaning of Treasury Regulation 1.6011-4(b)(2).

(b) Commencing with its taxable year ended December 31, 2014, Parent has at all times operated in such manner as to qualify as a REIT under the Code, and Parent intends to continue to operate in such manner.

Section 4.11 Finders or Brokers. Except for Morgan Stanley & Co. LLC, neither Parent nor any of Parent s Subsidiaries has employed any investment banker, broker or finder in connection with the transactions contemplated by this Agreement who would be entitled to any fee or any commission in connection with or upon consummation of the Merger.

Section 4.12 Ownership of Company Common Stock. Neither Parent nor Merger Sub has beneficially owned during the immediately preceding three (3) years a number of shares of Company Common Stock that would make it an interested stockholder (as such term is defined §203 of the DGCL) of the Company.

Section 4.13 Ownership of Certain Equity Interests. Neither Parent, nor Merger Sub nor any of their respective Subsidiaries beneficially owns, directly or indirectly, any equity interest in Penn National Gaming, Inc. or its

Subsidiaries.

Table of Contents

Section 4.14 Vote Required. Except for the Parent Shareholder Approval, no vote is required by the holders of any class or series of Parent s capital stock to approve and adopt this Agreement or the transactions contemplated hereby under applicable law or pursuant to the rules of NASDAQ as a result of this Agreement or the transactions contemplated hereby.

Section 4.15 Opinion of Financial Advisor. The Parent Board of Directors has received the opinion of Morgan Stanley & Co. LLC (Morgan Stanley) that, as of the date of the opinion, based upon and subject to the assumptions, procedures, factors, qualifications and limitations set forth in the opinion, the Exchange Ratio pursuant to this Agreement is fair from a financial point of view to Parent. The Company and Parent have been authorized by Morgan Stanley to permit the inclusion of such opinion of Morgan Stanley in its entirety and references thereto in the Form S-4 and the Joint Proxy Statement/Prospectus, subject to prior review and consent by Morgan Stanley.

Section 4.16 Affiliate Transactions. To the knowledge of Parent, no officer, director or Affiliate of Parent or its Subsidiaries or any individual in such officer s or director s immediate family (a) owns any property or right, tangible or intangible, that is material to the conduct of the business of Parent or its Subsidiaries, (b) with the exception of liabilities incurred in the ordinary course of business, owes money to, or is owed money by, Parent or its Subsidiaries or (c) is a party to or the beneficiary of any Contract with Parent or its Subsidiaries, except in each case for compensation and benefits payable under any Parent Benefit Plans to officers and employees in their capacity as officers and employees. Except as disclosed in the Parent SEC Documents, there are no Contracts between Parent or any of its Subsidiaries, on the one hand, and any officer or director or Affiliate of the Parent or its Subsidiaries or any individual in such officer s or director s immediate family, on the other hand.

Section 4.17 Reorganization. Neither Parent nor any of its Subsidiaries has taken or agreed to take any action or knows of any fact, agreement, plan or other circumstance that is reasonably likely to prevent or impede the Merger from qualifying as a reorganization under Section 368(a) of the Code.

Section 4.18 Licensability. None of Parent, Merger Sub, any of their respective officers, directors, partners, managers, members, principals or Affiliates which may reasonably be considered in the process of determining the suitability of Parent and Merger Sub for a Gaming Approval by a Gaming Authority, or any holders of Parent s capital stock or other equity interests who will be required to be licensed or found suitable under applicable Gaming Laws (the foregoing persons collectively, the Licensing Affiliates), has ever abandoned or withdrawn (in each case in response to a communication from a Gaming Authority regarding a likely or impending denial, suspension or revocation) or been denied or had suspended or revoked a Gaming Approval, or an application for a Gaming Approval, by a Gaming Authority. Parent, Merger Sub and each of their respective Licensing Affiliates which is licensed or holds any Gaming Approval pursuant to applicable Gaming Laws (collectively, the Licensed Parties) is in good standing in each of the jurisdictions in which such Licensed Party owns, operates, or manages gaming facilities. To the knowledge of Parent, there are no facts which, if known to any Gaming Authority, would be reasonably likely to (i) result in the denial, revocation, limitation or suspension of a Gaming Approval of any of the Licensed Parties or (ii) result in a negative outcome to any finding of suitability proceedings of any of the Licensed Parties currently pending, or under the licensing, suitability, registration or approval proceedings necessary for the consummation of the Merger.

Section 4.19 Parent Financing.

(a) Parent has delivered to the Company a true, complete and correct copy of a fully executed debt commitment letter, dated July 20, 2015 and fully executed fee letters relating thereto (such commitment letter and fee letters, including all exhibits, schedules, annexes and joinders thereto, as the same may be amended, modified, supplemented, extended or replaced from time to time in compliance with Section 5.17(d) is referred to herein as the Parent Financing Commitment), among Parent, JPMorgan Chase Bank, N.A., Bank of America, N.A. (together with JPMorgan Chase

Bank, N.A., the Parent Lenders) and J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated pursuant to which, among other things, the Parent Lenders have agreed, subject to the terms and conditions of the Parent Financing Commitment, to provide or cause to be provided, on a several and not joint basis, the financing commitments described therein. The debt financing contemplated under the Parent Financing Commitment is referred to herein as the Parent Debt Financing.

(b) The Parent Financing Commitment is, as of the date hereof, in full force and effect. The Parent Financing Commitment is the legal, valid, binding and enforceable obligation of Parent and, to the knowledge of Parent, the other parties thereto (except to the extent enforcement may be limited by the Remedies Exceptions). The Parent Financing Commitment has not been or will not be amended, modified, supplemented, extended or replaced, except as permitted under Section 5.17(d). As of the date hereof, (i) neither Parent nor, to the knowledge of Parent, any other counterparty thereto is in breach of any of its covenants or other obligations set forth in, or is in default under, the Parent Financing Commitment and (ii) no event has occurred which, with or without notice, lapse of time or both, would or would reasonably be expected to (A) constitute or result in a breach or default on the part of Parent (or, to the knowledge of Parent, any Parent Lender) under the Parent Financing Commitment, (B) constitute or result in a failure to satisfy a condition or other contingency set forth in the Parent Financing Commitment, or (C) otherwise result in any portion of the Parent Debt Financing not being available. As of the date hereof, Parent has not received any notice or other communication from any party to the Parent Financing Commitment with respect to (i) any actual or potential breach or default on the part of Parent or any other party to the Parent Financing Commitment, or (ii) any intention of such party to terminate the Parent Financing Commitment or to not provide all or any portion of the Parent Debt Financing. As of the date hereof, Parent and Merger Sub: (i) have no reason to believe that, assuming the satisfaction of the conditions set forth in Section 6.1 and Section 6.3 hereof, they will be unable to satisfy on a timely basis each term and condition relating to the closing or funding of the Parent Debt Financing and (ii) know of no fact, occurrence, circumstance or condition that, assuming the satisfaction of the conditions set forth in Section 6.1 and Section 6.3 hereof, would reasonably be expected to (A) cause the Parent Financing Commitment to fail to be satisfied, to terminate, to be withdrawn, modified, repudiated or rescinded or to be or become ineffective, or (B) otherwise cause the full amount (or any portion) of the funds contemplated to be available under the Parent Financing Commitment to not be available to Parent and Merger Sub on a timely basis (and in any event as of the Closing Date) (except with respect to any reduction of the Parent Financing Commitment solely by the terms thereof with respect to any Parent Permanent Financing or Parent Equity Financing). As of the date hereof, there are no conditions precedent or other contingencies related to the funding of the full amount of the Parent Debt Financing other than as expressly set forth in the Parent Financing Commitment. There are no side letters or other agreements, contracts or arrangements (except for customary engagement letters which do not contain provisions that impose any additional conditions or other contingencies to the funding of the Parent Debt Financing not otherwise set forth in the Parent Financing Commitment, and true, correct and complete copies of which have been provided to the Company), whether written or oral, related to the funding of the full amount of the Parent Debt Financing other than as expressly set forth in or expressly contemplated by the Parent Financing Commitment. As of the date hereof, subject to the terms and conditions of the Parent Financing Commitment, and subject to the terms and conditions of this Agreement, the aggregate proceeds contemplated by the Parent Financing Commitment, together with (x) the OpCo Cash Payment and (y) $411,000,000 of availability for revolving loans under that certain Credit Agreement, dated as of October 28, 2013, among GLP Capital, L.P., as borrower, the financial institutions party thereto as lenders, and JPMorgan Chase Bank, N.A., as administrative agent (as may be as amended, supplemented, modified, replaced, the Parent Credit Agreement), will be sufficient for the Parent and Merger Sub to (i) consummate the Merger and the other transactions contemplated by this Agreement upon the terms contemplated by this Agreement, (ii) pay all outstanding Liabilities (as defined in the Separation and Distribution Agreement) in connection with the Company s Existing Indebtedness (as defined in the Separation and Distribution Agreement) in accordance with the Separation and Distribution Agreement and (iii) pay all fees, costs and expenses in connection therewith on the Closing Date.

Section 4.20 No Additional Representations. Except for the representations and warranties contained in this Article IV or in any certificates delivered by Parent in connection with the Merger, the Company acknowledges that neither

Parent nor Merger Sub nor any person on behalf of Parent or Merger Sub makes any other express or implied representation or warranty with respect to Parent or Merger Sub or any of their respective Subsidiaries pursuant to this Agreement or with respect to any other information provided to Parent or Merger Sub in connection with the transactions contemplated hereby, including the accuracy, completeness or currency thereof. Except as otherwise expressly provided in the Parent Transaction Documents and to the extent any such information is expressly included in a representation or warranty contained in this Article IV, neither Parent, Merger Sub nor any other person will have or be subject to any liability or indemnification obligation to the Company or any other person resulting from the distribution or failure to distribute to the Company, or the Company s use of, any such information, including any information, documents, projections, estimates, forecasts, management presentations or other material made available to the Company or any other person for purposes or in expectation of the Merger and the other transactions contemplated by this Agreement.

ARTICLE V

COVENANTS AND AGREEMENTS

Section 5.1 Conduct of Business.

(a) From and after the date hereof until the earlier of the Effective Time or the date, if any, on which this Agreement is terminated pursuant to Section 7.1 (the Termination Date), and except (i) as may be required by applicable Law, (ii) with the prior written consent of Parent (such consent not to be unreasonably conditioned, withheld or delayed), (iii) as may be expressly contemplated or required by this Agreement or the OpCo Spin-Off Agreements or (iv) as set forth in Section 5.1(a) of the Company Disclosure Letter, the Company covenants and agrees that it shall use commercially reasonable efforts to conduct the business of the Company and its Subsidiaries in all material respects in the ordinary course of business, and shall use commercially reasonable efforts to preserve intact their present lines of business, maintain their rights, franchises and Company Permits; provided that the Company and its Subsidiaries shall be restricted pursuant to Section 5.1(a) or Section 5.1(b) with respect to the OpCo Business, OpCo Assets or OpCo Liabilities solely to the extent that an action set forth below taken (in the case of negative covenants) or not taken (in the case of affirmative covenants) by the Company or its Subsidiaries with respect to the OpCo Business, OpCo Assets or OpCo Liabilities would reasonably be expected to adversely affect PropCo or the Pinnacle Business (as such term is defined in the Separation and Distribution Agreement) or Parent as the owner and operator thereof following the Effective Time, in each case in any material respect, or would reasonably be expected to prevent, impede or materially delay the consummation of the transactions contemplated by this Agreement or the OpCo Spin-Off Agreements; provided, further, that no action by the Company or its Subsidiaries with respect to matters specifically addressed by any provision of Section 5.1(b) shall be deemed a breach of this sentence unless such action would constitute a breach of such other provision.

(b) The Company agrees with Parent, on behalf of itself and its Subsidiaries, that from the date hereof and prior to the earlier of the Effective Time and the Termination Date, except (i) as may be required by applicable Law or the regulations or requirements of any stock exchange or regulatory organization applicable to the Company or any of its Subsidiaries or Company Benefit Plan, (ii) with the prior written consent of Parent (such consent not to be unreasonably conditioned, withheld or delayed), (iii) as may be expressly contemplated or required by this Agreement or the OpCo Spin-Off Agreements, or (iv) as set forth in Section 5.1(b) of the Company Disclosure Letter, the Company:

(A) shall not amend or restate any Company Organizational Document, and shall not permit any of such Subsidiaries to amend or restate their respective certificate of incorporation, certificate of formation, bylaws, limited partnership agreement, limited liability company agreement or comparable constituent or organizational documents except in order to facilitate the consummation of the Distribution in accordance with the terms of the OpCo Spin-Off Agreements;

(B) shall not, and shall not permit any of such Subsidiaries to, split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, except for any such transaction by a wholly owned Subsidiary of the Company which remains a wholly owned Subsidiary after consummation of such transaction and such transactions as are necessary to effect the Distribution;

(C) shall not, and shall not permit any of such Subsidiaries that is not wholly owned by the Company or wholly owned Subsidiaries of any such Subsidiaries to, authorize or pay any dividends on or make any distribution with respect to its outstanding shares of capital stock (whether in cash, assets, stock or other securities of the Company or its Subsidiaries), except (i) dividends or distributions by any Subsidiaries only to the Company or to any wholly owned Subsidiary of the Company and (ii) the Distribution pursuant to the OpCo Spin-Off Agreements;

(D) shall not, and shall not permit any of such Subsidiaries to, adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization, other than in connection with the Merger and the OpCo Spin-Off Agreements, or take any action with respect to any securities owned by such person that would reasonably be expected to prevent, materially impede or materially delay the consummation of the Merger;

(E) shall not, and shall not permit any of such Subsidiaries to, make any acquisition of any other person or business or make any loans, advances or capital contributions to, or investments in, any other person with a value in excess of $5,000,000 in the aggregate, except (1) in the ordinary course of business or (2) as made in connection with any transaction among the Company and its wholly owned Subsidiaries or among the Company s wholly owned Subsidiaries;

(F) shall not, and shall not permit any of such Subsidiaries to, sell, lease, license, transfer, exchange or swap, or otherwise dispose of or encumber any properties or assets with a value in excess of $1,000,000 in the aggregate, except sales, transfers and dispositions of inventory and products, licenses of Intellectual Property and any other sales, leases, licenses, transfers, exchanges, swaps or dispositions or encumbrances of property or assets in the ordinary course of business (other than with respect to PropCo Assets);

(G) shall not, and shall not permit any of its Subsidiaries to, authorize any capital expenditures, except for expenditures that would not impose obligations on PropCo to make any such expenditures from and after the Effective Time;

(H) shall not, and shall not permit any of its Subsidiaries to, modify, amend or terminate, or waive any material rights under any Company Material Contract or under any Company Permit, or enter into any new Contract which would be a Company Material Contract outside the ordinary course of business;

(I) shall not, and shall not permit any of its Subsidiaries to, materially change any material accounting policies or procedures or any of its methods of reporting income, deductions or other material items, except as required by GAAP, SEC rule or policy or applicable Law;

(J) shall not, and shall not permit any of its Subsidiaries to, issue, sell, pledge, dispose of or encumber, or authorize the issuance, sale, pledge, disposition or encumbrance of, any shares of its capital stock or other ownership interest in the Company or any of its Subsidiaries or any securities convertible into or exchangeable for any such shares or ownership interest, or any rights, warrants or options to acquire any such shares of capital stock, ownership interest or convertible or exchangeable securities, or any awards substantially similar to Performance Units, as such term is defined in the Employee Matters Agreement, or take any action to cause to be exercisable any otherwise unexercisable option under any existing Company Benefit Plans (except as otherwise provided by the terms of this Agreement or the express terms of any unexercisable or unexercised options or warrants outstanding on the date hereof), other than

(1) issuances of shares of Company Common Stock in respect of the exercise or settlement of any Company Long Term Incentive Awards outstanding on the date hereof, (2) the sale of shares of Company Common Stock pursuant to the exercise of Company Options or the settlement of a Company Long Term Incentive Award, if necessary to effectuate an

option direction upon exercise or for withholding of Taxes in accordance with their terms on the date hereof, (3) grants of equity awards solely with respect to OpCo or the cost of which will be solely borne by OpCo, (4) pledges under the Company Credit Agreement and (5) as contemplated by the OpCo Spin-Off Agreements;

(K) shall not, and shall not permit any of its Subsidiaries to, incur, assume, guarantee or otherwise become liable for any indebtedness for borrowed money or any guarantee of such indebtedness, except (1) for any indebtedness incurred in the ordinary course of business, including under the Company Credit Agreement, in connection with working capital needs, (2) for any indebtedness among the Company and its wholly owned Subsidiaries or among the Company s wholly owned Subsidiaries as permitted by the OpCo Spin-Off Agreements; (3) for any guarantees by the Company of indebtedness of Subsidiaries of the Company or guarantees by the Company s Subsidiaries of indebtedness of the Company or any Subsidiary of the Company, which indebtedness is under the Company Credit Agreement, the Company Notes or incurred in compliance with this Section 5.1(b); (4) for the Company Financing Commitment and (5) any indebtedness for which PropCo or its Subsidiaries would have no obligations with respect to from and after the Effective Time;

(L) shall not, and shall not permit any of its Subsidiaries to, waive, release, assign, settle or compromise any claim, action or proceeding, other than waivers, releases, assignments, settlements or compromises that do not exceed $250,000 individually and $2,000,000 in the aggregate and do not involve any admission of wrongdoing or equitable relief;

(M) shall not, change or revoke any material Tax election, change any material tax accounting method, file any material amended Tax return, enter into any closing agreement, request any material Tax ruling, settle or compromise any material Tax proceeding, or surrender any claim for a material refund of Taxes; or

(N) shall not, and shall not permit any of its Subsidiaries to, agree, in writing or otherwise, to take any of the foregoing actions that are prohibited pursuant to clauses (A) through (M) of this Section 5.1(b).

(c) From and after the date hereof until the earlier of the Effective Time or the Termination Date, and except (i) as may be required by applicable Law or the regulations or requirements of any stock exchange or regulatory organization applicable to Parent or any of its Subsidiaries, (ii) with the prior written consent of the Company (such consent not to be unreasonably conditioned, withheld or delayed), (iii) as may be expressly contemplated or required by this Agreement or the OpCo Spin-Off Agreements or (iii) as set forth in Section 5.1(c) of the Parent Disclosure Letter, Parent covenants and agrees that it shall use commercially reasonable efforts to conduct the business of Parent and its Subsidiaries in all material respects in the ordinary course of business, and shall use commercially reasonable efforts to preserve intact their present lines of business, maintain their rights, franchises and permits; provided, however, that no action by Parent or its Subsidiaries with respect to matters specifically addressed by any provision of Section 5.1(d) shall be deemed a breach of this sentence unless such action would constitute a breach of such other provision.

(d) Parent agrees with the Company, on behalf of itself and its Subsidiaries, that from the date hereof and prior to the earlier of the Effective Time and the Termination Date, except (i) as may be required by applicable Law or the regulations or requirements of any stock exchange or regulatory organization applicable to Parent or any of its Subsidiaries, (ii) with the prior written consent of Company (such consent not to be unreasonably conditioned, withheld or delayed), (iii) as may be expressly required by this Agreement, or (iv) as set forth in Section 5.1(c) of the Parent Disclosure Letter, Parent or any of its Subsidiaries shall not:

(A) amend or propose to Parent s shareholders any amendment to Parent s certificate of incorporation or bylaws or Merger Sub s certificate of formation or limited liability company agreement, in each case, in any manner that would be reasonably expected to prevent, materially delay or materially impair the ability of Parent or Merger Sub to consummate the Merger or otherwise be adverse to the Company or the holders of Company Common Stock;

(B) declare, set aside or pay any dividend or other distribution payable in cash, stock or property in respect of the capital stock of Parent, or subdivide, reclassify, recapitalize, split, combine or exchange or enter into any similar transaction with respect to any of the capital stock of Parent, other than (i) cash dividends in the ordinary course of business consistent with past practice, provided that in no event shall any such dividend, distribution, subdivision, reclassification, recapitalization, split, combination or exchange have a record date or payment date on any date from and after the date on which all of the conditions set forth in Article VI are satisfied (other than those conditions that by their nature are to be satisfied at the Closing, provided that such conditions are reasonably capable of being satisfied at the Closing) until and through the Closing Date and (ii) any dividend, distribution or other transaction that Parent reasonably determines is required to maintain Parent s status as a REIT;

(C) to the extent such action would prevent, impede materially delay or materially impair the ability of Parent or Merger Sub to consummate the Merger, purchase, redeem or otherwise acquire any share of Parent s capital stock or other securities or issue any shares of Parent capital stock or other securities;

(D) acquire or agree to acquire (by purchase, merger, joint venture, partnership, consolidation, dissolution, liquidation, tender offer, exchange offer, recapitalization, reorganization, share exchange, business combination or similar transaction) any business or material amount of assets from any other person if such acquisition would reasonably be expected to (i) materially impose any delay in the obtaining of, or materially increase the risk of not obtaining, any authorization, consent, order, declaration or approval of any Governmental Entity necessary to consummate the transactions contemplated by this Agreement or the expiration or termination of any applicable waiting period, including Gaming Approvals, (ii) materially increase the risk of any Governmental Entity entering an Order prohibiting the consummation of the transactions contemplated by this Agreement, (iii) materially increase the risk of not being able to remove any such Order on appeal or otherwise or (iv) prevent, materially delay or materially impair the ability of Parent or Merger Sub to consummate the transactions contemplated by this Agreement, including the Merger and the Financing;

(E) incur, assume, guarantee or otherwise become liable for any indebtedness for borrowed money or any guarantee of such indebtedness (other than the Parent Financing Commitment) except any such incurrence, assumption, guarantee or other liability which would not be reasonably expected to prevent, materially delay or materially impair the ability of Parent or Merger Sub to consummate the transactions contemplated by this Agreement, including the Merger and the Parent Financing;

(F) directly or indirectly, purchase, redeem or otherwise acquire any shares of the capital stock of Parent or any of its Subsidiaries or any rights, warrants or options to acquire any such shares, except for transactions among Parent and its wholly owned Subsidiaries or among Parent s wholly owned Subsidiaries or in connection with the exercise of any options, or the vesting or settlement of any Parent equity awards issued in the ordinary course of business and consistent with past practice; or

(G) agree or permit any of its Subsidiaries to agree, in writing or otherwise, to take any of the foregoing actions.

Section 5.2 Access.

(a) For purposes of facilitating the transactions contemplated hereby, each of the Company and Parent shall afford (i) the officers and employees and (ii) the accountants, consultants, legal counsel, financial advisors, financing sources and agents and other representatives of the other party such reasonable access during normal business hours, throughout the period prior to the earlier of the Effective Time and the Termination Date, to its and its Subsidiaries personnel and properties, contracts, commitments, books and records and any report, schedule or other document filed or received by it pursuant to the requirements of applicable Laws and with such additional accounting, financing, operating, environmental and other data and information regarding the Company and its Subsidiaries (other than relating primarily to the OpCo Business), as Company and Parent may reasonably request. Notwithstanding the foregoing, neither Parent nor the Company shall be required to provide access to or make available to any person any document or information that, in the reasonable judgment of such party, (i) violates any of its obligations with respect to confidentiality, (ii) is subject to any attorney-client, work-product or other legal privilege or (iii) the disclosure of which would violate any Law or legal duty (provided that the withholding party will use reasonable efforts to allow such access or disclosure in a manner that does not result in loss or waiver of such privilege, including, but not limited to, entering into appropriate common interest or similar agreements) provided, further, that nothing herein shall authorize Parent or its Representatives to undertake any environmental testing or sampling at any of the properties owned, operated or leased by the Company or its Subsidiaries and nothing herein shall authorize the Company or its respective Representatives to undertake any environmental testing or sampling at any of the properties owned, operated or leased by Parent or its Subsidiaries. Each of Parent and the Company agrees that it will not, and will cause its Representatives not to, use any information obtained pursuant to this Section 5.2 for any competitive or other purpose unrelated to the consummation of the transactions contemplated by this Agreement (which transactions, for the avoidance of doubt, shall include with respect to Parent the Financing). Each of Company and Parent will use its commercially reasonable efforts to minimize any disruption to the businesses of the other party that may result from requests for access.

(b) The parties hereto hereby agree that all information provided to them or their respective officers, directors, employees or representatives in connection with this Agreement and the consummation of the transactions contemplated hereby shall be governed in accordance with the confidential disclosure agreement, dated as of April 16, 2015, between the Company and Parent (the Confidentiality Agreement).

Section 5.3 No Solicitation.

(a) Except as expressly permitted by this Section 5.3, the Company shall, and the Company shall cause each of its Affiliates and its and their respective officers, directors and employees to, and shall cause the agents, financial advisors, investment bankers, attorneys, accountants and other representatives (collectively Representatives) of the Company or any of its Affiliates to: (A) immediately cease any solicitation, knowing encouragement, discussions or negotiations with any persons that may be ongoing with respect to a Company Takeover Proposal, and promptly instruct (to the extent it has contractual authority to do so and has not already done so prior to the date of this Agreement) or otherwise request, any person that has executed a confidentiality or non-disclosure agreement within the 12-month period prior to the date of this Agreement in connection with any actual or potential Company Takeover Proposal to return or destroy all such confidential information or documents previously furnished in connection therewith or material incorporating any such information in the possession of such person or its Representatives and (B) from and after the date of this Agreement until the Effective Time or, if earlier, the termination of this Agreement in accordance with Article VII, not, directly or indirectly, (1) solicit, initiate or knowingly facilitate or knowingly encourage any inquiries regarding, or the making of any proposal or offer that constitutes, or would reasonably be expected to lead to, a Company Takeover Proposal, (2) engage in, continue or otherwise participate in any substantive discussions or negotiations regarding, or furnish to any other person any non-public information in connection with or for the purpose of encouraging or facilitating, a Company Takeover Proposal or (3) approve, recommend or enter into, or propose to approve, recommend or enter into, any letter of intent or similar document, agreement, commitment, or agreement in principle providing for a Company Takeover Proposal.

(b) The Company shall not make any determination under the Rights Plan that would interfere with Parent consummating the Merger and the other transactions contemplated by this Agreement. Except as expressly provided by this Agreement, the Company shall not (1) take any action to exempt any person from the restrictions on business combinations contained in §203 of the DGCL or the Company Organizational Documents or otherwise cause such restrictions not to apply or (2) terminate (or permit the termination of), waive, amend or exempt any person from the Rights Plan; provided that nothing herein shall restrict or interfere with the Company s ability to delay a Distribution Date (as defined in the Rights Plan) in accordance with the terms of the Rights Plan in response to a tender offer or exchange offer pursuant to Regulation 14D under the Exchange Act; provided, further, that notwithstanding the immediately foregoing proviso, in no event shall the

Company delay a Distribution Date in response to a tender offer or exchange offer to a date which is on or after expiration of such tender offer or exchange offer. Except (i) as necessary to take any actions that the Company or any third party would otherwise be permitted to take pursuant to this Section 5.3 (and in such case only in accordance with the terms hereof) or (ii) if the Company Board of Directors determines in good faith, after consultation with its outside financial advisors and outside legal counsel, that any such action or forbearance would be reasonably likely to be inconsistent with its fiduciary duties under applicable Law, (A) the Company and its Subsidiaries shall not release any third party from, or waive, amend or modify any provision of, or grant permission under any (i) standstill provision in any agreement to which the Company or any of its Subsidiaries is a party or (ii) confidentiality provision in any agreement to which the Company or any of its Subsidiaries is a party (excluding any waiver under a confidentiality provision that does not, and would not reasonably be likely to, facilitate or encourage a Company Takeover Proposal) and (B) the Company shall, and shall cause its Subsidiaries to, enforce the confidentiality and standstill provisions of any such agreement.

(c) Notwithstanding anything to the contrary contained in Section 5.3, if at any time from and after the date of this Agreement and prior to obtaining the Company Stockholder Approval, the Company, directly or indirectly receives a *bona fide*, unsolicited written Company Takeover Proposal from any person and the Company, its Affiliates and the Company s and its Affiliates Representatives are not in Willful and Material Breach of this Section 5.3 and if the Company Board of Directors determines in good faith, after consultation with its outside financial advisors and outside legal counsel, that such Company Takeover Proposal constitutes or would reasonably be expected to lead to a Superior Proposal, and failure to take such action would be reasonably likely to be inconsistent with its fiduciary duties under applicable Law, then the Company may, directly or indirectly, (A) furnish, pursuant to an Acceptable Confidentiality Agreement, information (including non-public information) with respect to the Company and its Subsidiaries, and afford access to the business, properties, assets, employees, officers, Contracts, books and records of the Company and its Subsidiaries, to the person that has made such Company Takeover Proposal and its Representatives and potential sources of funding; provided that the Company shall substantially concurrently with the delivery to such person provide to Parent any non-public information concerning the Company or any of its Subsidiaries that is provided or made available to such person or its Representatives unless such non-public information has been previously provided or made available to Parent and (B) engage in or otherwise participate in discussions or negotiations with the person making such Company Takeover Proposal (including as a part thereof, making counterproposals) and its Representatives and potential sources of financing regarding such Company Takeover Proposal. Acceptable Confidentiality Agreement means any customary confidentiality agreement that contains provisions that are no less favorable in the aggregate to the Company than those applicable to Parent that are contained in the Confidentiality Agreement, provided that such confidentiality agreement shall not prohibit compliance by the Company with any of the provisions of this Section 5.3.

(d) The Company shall promptly (and in no event later than forty-eight (48) hours after receipt) notify, orally and in writing, Parent of any Company Takeover Proposal received by the Company or any of its Representatives, which notice shall include the identity of the person making the Company Takeover Proposal and the material terms and conditions thereof (including copies of any written proposal relating thereto provided to the Company or any of its Representatives) and indicate whether the Company has furnished nonpublic information to, or entered into discussions or negotiations with, such third party. The Company shall keep Parent reasonably informed on a reasonably current basis as to the status of (including changes to any material terms of, and any other material developments with respect to) such Company Takeover Proposal. The Company agrees that it and its Subsidiaries will not enter into any agreement with any person subsequent to the date of this Agreement which prohibits the Company from providing any information to Parent in accordance with this Section 5.3.

(e) Except as expressly permitted by this Section 5.3(e), the Company Board of Directors shall not (i) (A) fail to include the Company Recommendation in the Joint Proxy Statement/Prospectus, (B) change, qualify, withhold, withdraw or modify, or authorize or publicly propose to change, qualify, withhold, withdraw or modify, in a manner adverse to Parent, the Company Recommendation, (C) make, or publicly propose to make, any recommendation in connection with a tender offer or exchange offer other than a recommendation against such offer or a customary stop, look and listen communication by the Company Board of Directors of the type contemplated by Rule 14d-9(f) under the Exchange Act (it being understood that the Company Board of Directors may refrain from taking a position with respect to such a tender offer or exchange offer until the close of business as of the tenth (10th) Business Day after the commencement of such tender offer or exchange offer pursuant to Rule 14d-9(f) under the Exchange Act without such action being considered an Adverse Recommendation Change so long as the Company reaffirms the Company Recommendation during such period), (D) other than with respect to the period of up to ten (10) Business Days applicable to formal tender or exchange offers that are the subject of the preceding clause (C), fail to recommend against a Company Takeover Proposal or fail to reaffirm the Company Recommendation, in either case within five (5) Business Days after a request by Parent to do so; provided, however, that (1) such five (5) Business Day period shall be extended for an additional five (5) Business Days following any material modification to any Company Takeover Proposal occurring after the receipt of Parent s written request and (2) Parent shall be entitled to make such a written request for reaffirmation only once for each Company Takeover Proposal and once for each material amendment to such Company Takeover Proposal; (any action described in this clause (i) being referred to as an Adverse Recommendation Change), or (ii) authorize, cause or permit the Company or any of its Subsidiaries to enter into any letter of intent, agreement, commitment or agreement in principle providing for any Company Takeover Proposal (other than an Acceptable Confidentiality Agreement entered into in accordance with Section 5.3(c)). Notwithstanding anything to the contrary set forth in this Agreement, prior to the time the Company Stockholder Approval is obtained, the Company Board of Directors may make an Adverse Recommendation Change if (x) the Company is not in Willful and Material Breach of this Section 5.3 and (y) after receiving a *bona fide* unsolicited written Company Takeover Proposal, the Company Board of Directors has determined in good faith, after consultation with its outside financial advisors and outside legal counsel, that (i) such Company Takeover Proposal constitutes a Superior Proposal and (ii) in light of such Company Takeover Proposal, the failure to take such action would be reasonably likely to be inconsistent with the Company Board of Directors fiduciary duties under applicable Law; provided, however, that, prior to making any Adverse Recommendation Change, (A) the Company has given Parent at least three (3) Business Days prior written notice of its intention to take such action (which notice shall specify the material terms and conditions of any such Superior Proposal) and has contemporaneously provided to Parent a copy of the Superior Proposal and a copy of any written proposed transaction documents with the person making such Superior Proposal, (B) the Company has negotiated in good faith with Parent during such notice period, to the extent Parent wishes to negotiate in good faith, to enable Parent to propose revisions to the terms of this Agreement such that it would cause such Superior Proposal to no longer constitute a Superior Proposal, (C) following the end of such notice period, the Company Board of Directors shall have considered in good faith any revisions to the terms of this Agreement proposed in writing by Parent, and shall have determined, after consultation with its outside financial advisors and outside legal counsel, that the Superior Proposal continues to constitute a Superior Proposal if the revisions proposed by Parent were to be given effect, and (D) in the event of any change to any material terms of such Superior Proposal, the Company shall, in each case, have delivered to Parent an additional notice consistent with that described in clause (A) above of this proviso and a new notice period under clause (A) of this proviso shall commence (except that the three (3) Business Day period notice period referred to in clause (A) above of this proviso shall instead be equal to the longer of (1) two (2) Business Days and (2) the period remaining under the notice period under clause (A) of this proviso immediately prior to the delivery of such additional notice under this clause (D)) during which time the Company shall be required to comply with the requirements of this Section 5.3(e) anew with respect to such additional notice, including clauses (A) through (D) above of this proviso.

(f) Other than in connection with a Superior Proposal (which, for the avoidance of doubt, shall be subject to Section 5.3(e) and shall not be subject to this Section 5.3(f)), nothing in this Agreement shall prohibit or restrict the Company Board of Directors from making an Adverse Recommendation Change in response to an Intervening Event if the Company Board of Directors has determined in good faith, after consultation with its outside financial advisors and outside legal counsel, that the failure of the Company Board of Directors to make an Adverse Recommendation Change would be inconsistent with the Company Board of Directors fiduciary duties under applicable Law; provided, however, that, prior to making such Adverse Recommendation Change,

Table of Contents

(A) the Company has given Parent at least three (3) Business Days prior written notice of its intention to take such action, which notice shall specify the reasons therefor, (B) the Company has negotiated, and directed its Representatives to negotiate, in good faith with Parent during such notice period after giving any such notice, to the extent Parent wishes to negotiate, to enable Parent to propose revisions to the terms of this Agreement such that it would not permit the Company Board of Directors to make an Adverse Recommendation Change pursuant to this Section 5.3(f) and (C) following the end of such notice period, the Company Board of Directors shall have considered in good faith any revisions to the terms of this Agreement proposed in writing by Parent, and shall have determined, after consultation with its outside financial advisors and outside legal counsel, that failure to make an Adverse Recommendation Change in response to such Intervening Event would be inconsistent with the Company Board of Directors fiduciary duties under applicable Law.

(g) Nothing contained in this Section 5.3 shall prohibit the Company or the Company Board of Directors from taking and disclosing to the stockholders of the Company a position contemplated by Rule 14e-2(a) or Rule 14d-9 promulgated under the Exchange Act or from making any stop, look and listen communication or any other similar disclosure to the stockholders of the Company pursuant to Rule 14d-9(f) under the Exchange Act if, in the determination in good faith of the Company Board of Directors, after consultation with outside counsel, the failure so to disclose would be reasonably likely to be inconsistent with the fiduciary duties under applicable Law or obligations under applicable federal securities Law of the Company Board of Directors.

Section 5.4 Filings; Other Actions.

(a) As promptly as reasonably practicable following the date of this Agreement, Parent and the Company shall prepare and file with the SEC the Form S-4, which will include the Joint Proxy Statement/Prospectus. Each of Parent and the Company shall use reasonable best efforts to have the Form S-4 declared effective under the Securities Act as promptly as reasonably practicable after such filing and to keep the Form S-4 effective as long as necessary to consummate the Merger and the other transactions contemplated hereby. The Company will cause the Joint Proxy Statement/Prospectus to be mailed to the Company s stockholders as soon as reasonably practicable after the Form S-4 is declared effective by the SEC under the Securities Act. Parent shall use its reasonable best efforts, and the Company shall reasonably cooperate with Parent, to keep the Form S-4 effective through the Closing in order to permit the consummation of the transactions contemplated by this Agreement, including the Merger and the Share Issuance. Parent shall also take any action required to be taken under any applicable state securities Laws in connection with the issuance and reservation of shares of Parent Common Stock in the Merger, and the Company shall furnish all information concerning the Company and the holders of Company Common Stock, or holders of a beneficial interest therein, as may be reasonably requested by Parent in connection with any such action. No filing or mailing of, or amendment or supplement to, the Form S-4 or the Joint Proxy Statement/Prospectus will be made by Parent or the Company, as applicable, without the other s prior consent (which shall not be unreasonably withheld, conditioned or delayed) and without providing the other party a reasonable opportunity to review and comment thereon (which comments shall be considered by the other party in good faith); provided, however, that the Company, in connection with an Adverse Recommendation Change, a Company Takeover Proposal or a Superior Proposal may amend or supplement the Joint Proxy Statement and/or Form S-4 (including by incorporation by reference) pursuant to a Qualifying Amendment, and in such event, this right of approval shall apply only with respect to information relating to Parent or its business, financial condition or results of operations. A Qualifying Amendment means an amendment or supplement to the Form S-4 or the Joint Proxy Statement/Prospectus (including by incorporation by reference) to the extent it contains (a) an Adverse Recommendation Change, (b) a statement of the reason of the Board of Directors of the Company for making such Adverse Recommendation Change, (c) a factually accurate statement by the Company that describes the Company s receipt of a Company Takeover Proposal or Superior Proposal, the terms of such proposal and the operation of this Agreement with respect thereto, and (d) additional information reasonably related to the foregoing.

(b) Each of the Company and Parent shall promptly notify the other upon the receipt of any comments from the SEC or any request from the SEC for amendments or supplements to the Form S-4 or Joint Proxy

Statement/Prospectus, and shall, as promptly as practicable after receipt thereof, provide the other with copies of all correspondence between it and its Representatives, on one hand, and the SEC, on the other hand, and all written comments with respect to the Joint Proxy Statement/Prospectus or the Form S-4 and advise the other party or any oral comments with respect to the Joint Proxy Statement/Prospectus or the Form S-4. Each of the Company and Parent shall use its reasonable best efforts to respond as promptly as practicable to any comments from the SEC with respect to the Joint Proxy Statement/Prospectus, and Parent shall use its reasonable best efforts to respond as promptly as practicable to any comment from the SEC with respect to the Form S-4. Parent or the Company, as applicable, will advise the other promptly after it receives oral or written notice of the time when the Form S-4 has become effective or any supplement or amendment thereto has been filed, the threat or issuance of any stop order, the suspension of the qualification of the shares of Parent Common Stock issuable in connection with the Merger for offering or sale in any jurisdiction, or any oral or written request by the SEC for amendment of the Joint Proxy Statement/Prospectus or the Form S-4 or comments thereon and responses thereto or requests by the SEC for additional information, and will promptly provide the other with copies of any written communication from the SEC or any state securities commission. If at any time prior to the Effective Time any information relating to Parent or the Company, or any of their respective Affiliates, officers or directors, is discovered by Parent or the Company which should be set forth in an amendment or supplement to any of the Form S-4 or the Joint Proxy Statement/Prospectus, so that any of such documents would not include a misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the party that discovers such information shall promptly notify the other parties hereto and an appropriate amendment or supplement describing such information shall be promptly filed with the SEC and, to the extent required by Law, disseminated to the stockholders of the Company. At the Company s request, Parent shall reasonably cooperate in amending or supplementing the Joint Proxy Statement/Prospectus pursuant to a Qualifying Amendment made in compliance with this Agreement.

(c) As promptly as reasonably practicable following the clearance of the Joint Proxy Statement/Prospectus by the SEC, the Company shall take all action necessary in accordance with applicable Laws and the Company Organizational Documents to duly give notice of, convene and hold a meeting of its stockholders for the purpose of obtaining the Company Stockholder Approval and holding the Company Stockholder Advisory Vote (the Company Stockholders Meeting) and not postpone or adjourn the Company Stockholders Meeting except (i) to the extent required by applicable Law or to solicit additional proxies or (ii) votes in favor of adoption of this Agreement if sufficient votes to constitute the Company Stockholder Approval have not been obtained; provided that, unless otherwise agreed by the parties, the Company Stockholders Meeting may not be postponed or adjourned to a date that is more than twenty (20) days after the date for which the Company Stockholders Meeting was originally scheduled (excluding any adjournments or postponements required by applicable Law). The Company will, except in the case of an Adverse Recommendation Change, through the Company Board of Directors, recommend that its stockholders adopt this Agreement and will use reasonable best efforts to solicit from its stockholders proxies in favor of the adoption of this Agreement and to take all other action necessary or advisable to secure the vote or consent of its stockholders required by the rules of the NYSE or applicable Laws to obtain such approvals.

(d) As promptly as reasonably practicable following the clearance of the Joint Proxy Statement/Prospectus by the SEC, Parent shall take all action necessary in accordance with applicable Laws and Parent s Amended and Restated Articles of Incorporation and Amended and Restated Bylaws to duly give notice of, convene and hold the Parent Shareholders Meeting for the purpose of obtaining the Parent Shareholder Approval and not postpone or adjourn the Parent Shareholders Meeting except to the extent required by applicable Law or to solicit additional proxies and votes in favor of adoption of this Agreement if sufficient votes to constitute the Parent Shareholder Approval have not been obtained; provided that, unless otherwise agreed by the parties, the Parent Shareholders Meeting may not be postponed or adjourned to a date that is more than twenty (20) days after the date for which the Parent Shareholders Meeting was originally scheduled (excluding any adjournments or postponements required by applicable Law). Parent will, through the Parent Board of Directors, recommend that its shareholders approve this Agreement and will use reasonable best efforts to solicit from its shareholders proxies in favor of the Share Issuance and to take all other action necessary or advisable to secure the vote or consent of its shareholders required by the rules of NASDAQ or applicable Laws to obtain such approvals.

(e) The Company and Parent will use their respective reasonable best efforts to hold the Company Stockholders Meeting and the Parent Shareholders Meeting on the same date and at the same time.

Section 5.5 Regulatory Approvals; Efforts.

(a) Prior to the Closing, Parent, Merger Sub and the Company shall use their respective reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under any applicable Laws to consummate and make effective the Merger including (i) the preparation and filing of all forms, registrations and notices required to be filed to consummate the Merger including, without limitation, prompt filing by the Company of the notice required by the Decision and Order (Docket No. 9355) issued by the Federal Trade Commission to the Company on December 4, 2013, (ii) the preparation of any financial information required by any Gaming Authority or Governmental Entity pursuant to applicable antitrust Laws, in each case in connection with the transactions contemplated by this Agreement and the OpCo Spin-Off Agreements, (iii) the satisfaction of the conditions to consummating the Merger, (iv) the defending of any lawsuits or other legal proceedings, whether judicial or administrative, challenging this Agreement or the consummation of the transactions contemplated by this Agreement, including seeking to have any stay or temporary restraining order entered by any court or other Governmental Entity vacated or reversed, (v) taking all reasonable actions necessary to obtain (and cooperating with each other in obtaining) any consent, authorization, Order or approval of, or any exemption by, or to avoid an investigation, action, proceeding or other challenge of the legality of the transactions contemplated by this Agreement and the OpCo Spin-Off Agreements by, any Governmental Entity (which actions shall include furnishing all information and documentary material required by any Gaming Authority) required to be obtained or made by Parent, Merger Sub, the Company or any of their respective Subsidiaries in connection with the Merger or the taking of any action contemplated by this Agreement (collectively, Approvals) and (vi) the execution and delivery of any additional instruments necessary to consummate the Merger and to fully carry out the purposes of this Agreement. Additionally, each of Parent, Merger Sub and the Company shall not take any action after the date of this Agreement that would reasonably be expected to materially delay the obtaining of, or result in not obtaining, any Approval necessary to be obtained prior to Closing. To the extent that transfers of any permits issued by any Governmental Entity are required as a result of the execution of this Agreement or the consummation of the Merger, the parties hereto shall use reasonable best efforts to effect such transfers. In furtherance of the foregoing, if and to the extent necessary to obtain an Approval, Parent shall propose amendments to the Master Lease and if the applicable Governmental Entity agrees that such proposed amendments would permit Approval to be granted, (A) the Company shall agree to all of such amendments that would not reasonably be expected to be detrimental to the Company and (B) if any of such amendments would reasonably be expected to be detrimental to the Company, the Company shall agree to such amendments as would not reasonably be expected to be detrimental to the Company and each of Parent and the Company shall negotiate in good faith with respect to compensation to the Company for and to the extent of any such detriment (which, for the avoidance of doubt, shall be determined net of any benefit to the Company resulting from amendments pursuant to this sentence which are beneficial to the Company). Each of Parent and the Company, as applicable, shall be required to sell, divest, dispose of, hold separate or otherwise agree to limit its freedom of action or to take any other action (each, a Divestiture Action) with respect to any assets, contracts, properties or businesses (including, with respect to Parent, those assets, contracts, properties or businesses of PropCo to be acquired by it under, or entered into in connection with, this Agreement) in order to obtain any Approval required to effect the Merger and the transactions contemplated hereby; provided, however, that, notwithstanding anything to the contrary in this Agreement, in no event shall Parent or the Company be obligated to propose or agree to accept any Divestiture Action: (i) in the case of Parent, (x) that obligates it to make any capital improvements at its properties or at properties of PropCo, or (y) to the extent such Divestiture Action, individually or in the aggregate, would constitute a Regulatory

MAE and (ii) in the case of the Company, except as required by the immediately preceding sentence, that would require the Company (x) to sell, divest, dispose of, hold separate or otherwise limit its freedom of action with respect to any OpCo Asset (as defined in the Separation and Distribution Agreement), (y) retain any Pinnacle Asset or Pinnacle Liability (as such terms are defined in the Separation and Distribution Agreement) unless (i) such retention would not reasonably be expected to prevent, impede or materially delay the Closing, (ii) in the case of a PropCo Asset, Parent agrees that the Company may retain such PropCo Asset for no consideration or cost to the Company or OpCo and (iii) in the case of a Pinnacle Liability, Parent agrees to fully reimburse and indemnify the Company or OpCo, as applicable, against such Pinnacle Liability, with the form and substance of the agreements by Parent referenced in each of the preceding clauses (ii) and (iii) to be reasonably satisfactory to the Company in its good faith determination or (z) to amend the Master Lease, in each case in order to obtain any Approval. For purposes of this Section 5.5(a), one or more Divestiture Actions shall constitute a Regulatory MAE if, and only if, and to the extent such Divestiture Action, individually or in the aggregate with all other Divestiture Actions taken together, would reasonably be expected to result (after giving effect to any net after tax proceeds or other benefits reasonably expected to result from any such Divestiture Action) in a loss of value (measured on a net present value basis) to the Parent which exceeds $150 million.

(b) Parent and the Company shall each keep the other apprised of the status of matters relating to the completion of the Merger and work cooperatively in connection with obtaining all required consents, authorizations, Orders or approvals of, or any exemptions by, any Governmental Entity undertaken pursuant to the provisions of this Section 5.5. In that regard, prior to the Closing, each party shall promptly consult with the other parties to this Agreement with respect to, provide any necessary information with respect to (and, in the case of correspondence, provide the other parties (or their counsel) copies of), all filings made by such party with any Governmental Entity or any other information supplied by such party to, or correspondence with, a Governmental Entity in connection with this Agreement and the Merger. Each party to this Agreement shall promptly inform the other parties to this Agreement, and if in writing, furnish the other party with copies of (or, in the case of oral communications, advise the other party orally of) any communication from any Governmental Entity or third party regarding the Merger, and permit the other party to review and discuss in advance, and consider in good faith the views of the other party in connection with, any proposed communication with any such Governmental Entity or third party. Neither party shall participate in any substantive meeting or teleconference with any Governmental Entity in connection with this Agreement and the Merger unless it consults with the other party in advance and, to the extent permitted by such Governmental Entity and applicable Law, gives the other party the opportunity to attend and participate thereat (whether by telephone or in person). Each party shall furnish the other party with copies of all correspondence, filings and communications (and memoranda setting forth the substance thereof) between it and any such Governmental Entity or third party with respect to this Agreement and the Merger, and furnish the other party with such necessary information and reasonable assistance as the other party may reasonably request in connection with its preparation of necessary filings or submissions of information to any such Governmental Entity; provided, however, that materials provided pursuant to this Section 5.5 may be redacted (i) to remove references concerning the valuation of the Company and the Merger or other confidential information, (ii) as necessary to comply with contractual arrangements, and (iii) as necessary to address reasonable privilege concerns.

(c) In furtherance and not in limitation of the provisions of Section 5.5(a), Parent and Merger Sub agree to, and agree to cause their Affiliates and their respective directors, officers, partners, managers, members, principals and shareholders to, and the Company agrees to prepare and submit to the Gaming Authorities as promptly as practicable, and in any event no later than forty-five (45) calendar days from the date of this Agreement, all applications and supporting documents necessary to obtain all required Gaming Approvals.

(d) Notwithstanding anything herein to the contrary, Parent and the Company shall cooperate in good faith to jointly develop a strategy for obtaining all necessary Approvals, with the Company entitled to take primary control and lead the strategy for Approvals primarily relating to the operations of the OpCo Business following the Effective Time and Parent entitled to take primary control and lead the strategy for Approvals primarily relating to the ownership of the

Pinnacle Business (as such term is defined in the Separation and Distribution Agreement); provided that each of Parent and the Company shall, in good faith, take into consideration the other s view regarding the strategies that it is entitled to lead and primarily control pursuant to this Section 5.5(d) including, to the extent practicable and permitted by applicable Law, advance notice, discussion and consideration of any suggestions or comments of the other party, prior to any material interaction with any Governmental Entity in connection with an Approval.

(e) The Company shall use its reasonable best efforts, and Parent shall use its reasonable best efforts to cooperate with the Company in its efforts, to obtain such third party consents or approvals under the leases set forth on Schedule 2.6(g) of the Separation and Distribution Agreement as are necessary and appropriate to permit all PropCo Assets and Pinnacle Liabilities (as such terms are defined in the Separation and Distribution Agreement) in respect thereof to be transferred to PropCo at or prior to the Distribution; provided that the Company shall not be not required to pay any fees, costs or expenses in order to obtain such consents or approvals that are not expressly required by the terms of such leases.

(f) Parent and the Company shall cooperate with each other reasonably and in good faith to make such arrangements as are necessary and appropriate to cause the OpCo Assets and OpCo Liabilities (as such terms are defined in the Separation and Distribution Agreement) with respect to the Community Improvement Districts and Transportation Development Districts for Kansas City, Missouri and St. Charles, Missouri and the Port Improvement District and Community Improvement District for St. Louis County to be transferred to OpCo on or prior to the Distribution or to (i) place the parties in equivalent economic circumstances as if such OpCo Assets and OpCo Liabilities had been transferred to OpCo as of immediately prior to the Distribution and (ii) provide OpCo with the right to appoint and elect representatives to govern such districts.

Section 5.6 Takeover Statutes. If any moratorium, control share acquisition, fair price, supermajority, affiliate transactions or business combination statute or regulation or other similar state anti-takeover Laws and regulations may become, or may purport to be, applicable to the Merger or any other transactions contemplated hereby, the Company shall grant such approvals and take such actions as are reasonably necessary so that the transactions contemplated hereby may be consummated as promptly as practicable on the terms contemplated hereby and otherwise act to eliminate or minimize the effects of such statute or regulation on the transactions contemplated hereby.

Section 5.7 Public Announcements. Unless otherwise required by applicable Law or by obligations pursuant to any listing agreement with or rules of any securities exchange, each party shall consult with each other before issuing any press release or public statement with respect to the Merger or the transactions contemplated thereby and, subject to the requirements of applicable Law or the rules of any securities exchange, shall not issue any such press release or public statement prior to such consultation. Parent and the Company agree to issue a mutually acceptable initial joint press release announcing this Agreement.

Section 5.8 Indemnification and Insurance.

(a) Parent and Merger Sub agree that all rights to exculpation, indemnification and advancement of expenses for acts or omissions occurring at or prior to the Effective Time (including any matters arising in connection with the transactions contemplated hereby), whether asserted or claimed prior to, at or after the Effective Time, now existing in favor of the current or former directors, officers or employees, as the case may be, of the Company or its Subsidiaries as provided in their respective certificate of incorporation or bylaws or other organizational documents or in any agreement shall survive the Merger and shall continue in full force and effect. For a period of six (6) years from the Effective Time, Parent and the Surviving Company shall maintain in effect (to the fullest extent permitted under applicable Law) any and all exculpation, indemnification and advancement of expenses provisions of the Company s and any of its Subsidiaries certificate of incorporation and bylaws or similar organizational documents in effect immediately prior to the Effective Time (to the extent and for so long as such entities remain in existence following the Effective Time) or in any indemnification agreements of the Company or its Subsidiaries with any of their respective current or former directors, officers or employees in effect immediately prior to the Effective Time, and shall not amend, repeal or otherwise modify any such provisions or the exculpation, indemnification or advancement of expenses provisions of the Surviving

Table of Contents

Company s organizational documents in any manner that would adversely affect the rights thereunder of any individuals who immediately before the Effective Time were current or former directors, officers or employees of the Company or any of its Subsidiaries; provided, however, that all rights to indemnification and exculpation in respect of any Action pending or asserted or any claim made within such period shall continue until the disposition of such Action or resolution of such claim.

(b) The Surviving Company shall, and Parent shall cause the Surviving Company to, to the fullest extent permitted under applicable Law, indemnify and hold harmless (and advance funds in respect of each of the foregoing) each current and former director, officer or employee of the Company or any of its Subsidiaries and each person who served as a director, officer, member, trustee or fiduciary of another corporation, partnership, joint venture, trust, pension or other employee benefit plan or enterprise if such service was at the request or for the benefit of the Company or any of its Subsidiaries (each, together with such person s heirs, executors or administrators, an Indemnified Party), in each case against any costs or expenses (including advancing attorneys fees and expenses in advance of the final disposition of any claim, suit, proceeding or investigation to each Indemnified Party to the fullest extent permitted by applicable Law; provided, however, that the Indemnified Party to whom expenses are advanced provides an undertaking consistent with the Company Organizational Documents and applicable Law to repay such amounts if it is ultimately determined that such person is not entitled to indemnification), judgments, fines, losses, claims, damages, liabilities and amounts paid in settlement in connection with any actual or threatened claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative (an Action), arising out of, relating to or in connection with any action or omission by them in their capacities as such occurring or alleged to have occurred whether commenced before or after the Effective Time (including any matters arising in connection with the transactions contemplated hereby and including acts or omissions in connection with such Indemnified Party serving as an officer, director, employee or other fiduciary of any entity if such service was at the request or for the benefit of the Company). In the event of any such Action, the Surviving Company shall cooperate with the Indemnified Party in the defense of any such Action.

(c) For a period of six (6) years from the Effective Time, Parent shall cause to be maintained in effect the coverage provided by the policies of directors and officers liability insurance and fiduciary liability insurance in effect as of the date hereof by the Company and its Subsidiaries or provide substitute policies for the Company and its current and former directors and officers who are currently covered by the directors and officers liability insurance and fiduciary liability insurance coverage in effect as of the date hereof by the Company and its Subsidiaries, in either case, of not less than the existing coverage and have other terms not less favorable to the insured persons than the directors and officers liability insurance and fiduciary liability insurance coverage with respect to matters existing or arising on or before the Effective Time, including the transactions contemplated hereby; provided, however, that Parent shall not be required to pay annual premiums in excess of 300% of the last annual premium paid by the Company prior to the date hereof in respect of the coverages (the Maximum Amount) required to be obtained pursuant hereto, but in such case shall be obligated to obtain a policy with the greatest coverage possible that does not exceed 300% of the last annual premium paid by the Company prior to the date hereof. If (i) the Company elects, with the prior written consent of Parent, or (ii) Parent elects, then the Company or Parent, as applicable, may at Parent s cost, prior to the Effective Time, purchase a tail policy with respect to acts or omissions occurring or alleged to have occurred prior to the Effective Time that were committed or alleged to have been committed by such Indemnified Parties in their capacity as such; provided that in no event shall the cost of such policy, if purchased by the Company, exceed the Maximum Amount and, if such a tail policy is purchased, Parent shall have no further obligations under this Section 5.8(c). For the avoidance of doubt, the costs incurred from the purchase of any tail policy shall be the responsibility of, and paid by, Parent (and shall not be deemed Transaction Expenses as such term is defined in the Separation and Distribution Agreement).

(d) Parent shall pay all reasonable expenses, including reasonable attorneys fees, that may be incurred by any Indemnified Party in enforcing the indemnity and other obligations provided in this Section 5.8.

Table of Contents

(e) The rights of each Indemnified Party shall be in addition to, and not in limitation of, any other applicable rights such Indemnified Party may have under the certificate of incorporation or bylaws or other organizational documents of the Company or any of its Subsidiaries or the Surviving Company, any other indemnification arrangement, the DGCL, DLLCA or otherwise.

(f) The obligations of Parent and the Surviving Company under this Section 5.8 shall not be terminated, amended or modified in any manner so as to adversely affect any Indemnified Party (including their successors, heirs and legal representatives) to whom this Section 5.8 applies without the consent of such Indemnified Party. It is expressly agreed that, notwithstanding any other provision of this Agreement that may be to the contrary, (i) the Indemnified Parties to whom this Section 5.8 applies shall be third-party beneficiaries of this Section 5.8, and (ii) this Section 5.8 shall survive consummation of the Merger and shall be enforceable by such Indemnified Parties and their respective successors, heirs and legal representatives against Parent and the Surviving Company and their respective successors and assigns.

(g) In the event the Surviving Company or any of its successors or assigns (i) consolidates with or merges into any other person and is not the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and assets to any person, then and in each such case, the Surviving Company shall cause proper provision to be made so that the successors and assigns of the Surviving Company assume the obligations set forth in this Section 5.8.

Section 5.9 Control of Operations. Without in any way limiting any party s rights or obligations under this Agreement, the parties understand and agree that (a) nothing contained in this Agreement shall give Parent or the Company, directly or indirectly, the right to control or direct the other party s operations prior to the Effective Time and (b) prior to the Effective Time, each of the Company and Parent shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its and its Subsidiaries operations.

Section 5.10 Section 16 Matters. Prior to the Effective Time, Parent and the Company shall take all such steps as may be required to cause any dispositions of Company Common Stock (including derivative securities with respect to Company Common Stock) or acquisitions of shares of Parent Common Stock (including derivative securities with respect to Parent Common Stock) resulting from the transactions contemplated by this Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to the Company or will become subject to such reporting requirements with respect to Parent, to be exempt under Rule 16b-3 promulgated under the Exchange Act.

Section 5.11 Transaction Litigation. The Company shall provide Parent with the opportunity to participate in the Company s defense or settlement of any stockholder litigation against the Company and/or its directors or executive officers relating to the transactions contemplated by this Agreement, including the Merger. All costs of any stockholder litigation, including legal fees and any reasonable out-of-pocket expenses, shall be deemed Transaction Expenses as such term is defined in the Separation and Distribution Agreement. The Company agrees that it shall not settle or offer to settle any litigation commenced prior to or after the date of this Agreement that contemplates any equitable relief or that would reasonably be expected to prevent, impede or materially delay the consummation of the transactions contemplated by this Agreement or the OpCo Spin-Off Agreements without the prior written consent of Parent, such consent not to be unreasonably withheld, conditioned or delayed.

Section 5.12 Reorganization. None of the Company, Parent or Merger Sub shall take, or omit to take, any action that would, or would reasonably be expected to, prevent or impede the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

Section 5.13 NASDAQ Listing. Parent shall cause the shares of Parent Common Stock to be issued in the Merger to be approved for listing on the NASDAQ, subject to official notice of issuance, prior to the Closing Date.

Section 5.14 Company Indebtedness.

(a) The Company shall, and shall cause its Subsidiaries to, timely deliver all notices and take all other administrative actions required to facilitate (i) the termination of commitments, repayment in full of all outstanding loans or other obligations, release of any Liens securing such loans or obligations and guarantees in connection therewith, and replacement of or cash collateralization of any issued letters of credit in respect of that certain Amended and Restated Credit Agreement, dated as of August 13, 2013, by and among the Company, as borrower, the financial institutions party thereto as lenders, and JPMorgan Chase Bank, N.A., as Administrative Agent (the Company Credit Agreement, and such termination and repayment, the Company Credit Agreement Payoff) and (ii) to the extent reasonably requested in writing by Parent or Merger Sub no later than ten (10) Business Days prior to the Closing Date with respect to any indebtedness incurred by the Company or any of its Subsidiaries after the date hereof in compliance with Section 5.1(b)(K) (other than under the Company Credit Agreement or guarantees of the Company Notes) (it being understood that the Company shall promptly and in any event no later than fifteen (15) Business Days prior to the Closing Date notify Parent in writing of the amount of any such indebtedness incurred or to be incurred and expected to be outstanding on the Closing Date), repayment in full of all obligations in respect of such indebtedness (except any such Indebtedness to be assumed by OpCo or OpCo s Subsidiaries after giving effect to the Merger or for which PropCo and its Subsidiaries (after the Effective Time) will not have liability after the Effective Time) and release of any Liens securing such indebtedness and guarantees in connection therewith (except (x) any such Indebtedness to be assumed by OpCo or OpCo s Subsidiaries after giving effect to the Merger or for which PropCo and its Subsidiaries (after the Effective Time) will not have liability after the Effective Time and (y) guarantees of Company Notes), in each case, on the Closing Date. In furtherance and not in limitation of the foregoing, the Company and its Subsidiaries shall use reasonable best efforts to deliver to Parent and Merger Sub no later than three (3) Business Days prior to the Closing Date payoff letters with respect to the Company Credit Agreement and, to the extent requested by Parent or Merger Sub no later than ten (10) Business Days prior to the Closing Date, any indebtedness (except such indebtedness to be assumed by OpCo or OpCo s Subsidiaries after giving effect to the Merger or for which PropCo and its Subsidiaries (after the Effective Time) will not have liability after the Effective Time) incurred by any of the Company and its Subsidiaries after the date hereof in compliance with Section 5.1(b)(K) (each, a Payoff Letter) in form and substance customary for transactions of this type, from the applicable agent on behalf of the persons to which such indebtedness is owed, which Payoff Letters together with any related release documentation shall, among other things, include the payoff amount and provide that Liens (and guarantees), if any, granted in connection therewith relating to the assets, rights and properties of the Company and its Subsidiaries securing such indebtedness and any other obligations secured thereby, shall, upon the payment of the amount set forth in the applicable Payoff Letter on or prior to the Closing Date, be released and terminated.

(b) If requested by Parent in writing, the Company shall, and shall cause its Subsidiaries to, (i) issue one or more notices of optional redemption for all of the outstanding aggregate principal amount of any of the Company s 7.75% Senior Subordinated Notes due 2022 (the 7.75% Notes), 8.75% Senior Subordinated Notes due 2020 (the 8.75% Notes), 6.375% Senior Notes due 2021 (the 6.375% Notes) and 7.50% Senior Notes due 2021 (together with the 7.75% Notes, 8.75% Notes and 6.375% Notes, the Company Notes), pursuant to the Note Indentures in order to effect a redemption on the Closing Date; provided that any such redemption notice shall be subject to and conditioned upon the occurrence of the Effective Time, and (ii) provide any other cooperation reasonably requested by Parent (which shall not require the payment of funds by the Company or its Subsidiaries towards the Discharge) to facilitate the redemption of the Company Notes (and/or, if elected by Parent, satisfaction and discharge of such Company Notes pursuant to the Note Indentures) effective as of and conditioned upon the occurrence of the Effective Time. The Company shall not be required to take any action, to the extent it determines, after consultation with outside counsel, that such action would reasonably be expected to violate the terms of any Contract to which it is a party. Notwithstanding anything in this Agreement, any costs incurred or liabilities arising out of or in connection with any Discharge shall be borne by Parent and shall not be deemed Transaction Expenses (as such term is defined in the

Separation and Distribution Agreement).

(c) As soon as reasonably practicable after the receipt of any written request by Parent to do so, the Company shall use its reasonable best efforts to commence offers to purchase and consent solicitations related to any or all of the Company Notes, on such terms and conditions, including pricing terms, that are specified and requested, from time to time, by Parent and reasonably satisfactory to the Company (each, a Debt Tender Offer and collectively, the Debt Tender Offers) and Parent shall assist the Company in connection therewith; provided that (i) Parent shall only request the Company to conduct any Debt Tender Offer in compliance with the documents governing the applicable series of Company Notes and the applicable federal securities Laws and Gaming Laws and (ii) the Company shall not be required to commence any Debt Tender Offer or to take any action in connection therewith that would reasonably be expected to violate the terms of the Company Credit Agreement or the Company Notes, and the Company shall not be obligated to take actions to modify the Company Credit Agreement or the Company Notes. Notwithstanding the foregoing, but subject to the preceding proviso, the closing of the Debt Tender Offers shall be conditioned on the occurrence of the Closing, and the parties shall use their respective reasonable best efforts to cause the Debt Tender Offers to close on the Closing Date. Subject to the preceding sentence, the Company shall, and shall cause its Subsidiaries to, and shall use reasonable best efforts to cause its and their respective Representatives to, provide all cooperation reasonably requested by Parent in connection with the Debt Tender Offers, including using reasonable best efforts in assisting Parent with its preparation of the offers to purchase, consent solicitation statements, letters of transmittal and/or forms of consent. The Company (i) shall waive any of the conditions to the Debt Tender Offers (other than the occurrence of the Closing) and make any change to the Debt Tender Offers, in each case, as may be reasonably requested by Parent and (ii) shall not, without the written consent of Parent, waive any condition to the Debt Tender Offers or make any changes to the Debt Tender Offers; provided that the Company shall take such actions as it reasonably determines are necessary or advisable to comply with the Company Credit Agreement, the Company Notes and the federal securities Laws or Gaming Laws (and shall not take any action requested by Parent that would reasonably be expected to violate the Company Credit Agreement, the Company Notes or the federal securities Laws or Gaming Laws). Subject to the making of the OpCo Cash Payment pursuant to the terms of this Agreement and the Separation and Distribution Agreement, Parent shall ensure that on the Closing Date the Company has all funds necessary to pay for such Company Notes that have been properly tendered and not withdrawn pursuant to the Debt Tender Offers.

(d) It is understood and agreed that (i) all fees (including breakage fees), costs, expenses (including reasonable fees and disbursements of counsel) and liabilities (including the portion of accrued and unpaid interest that is a Pinnacle Liability pursuant to the Separation and Distribution Agreement) in connection with, or arising out of, the Company Credit Agreement Payoff, the Discharge of the Company Notes and any Debt Tender Offers for the Company Notes shall be borne by Parent and shall not be deemed Transaction Expenses (as such term is defined in the Separation and Distribution Agreement) (it being understood, for the avoidance of doubt, that this clause (i) shall not apply to any fees, costs, expenses and liabilities in connection with the Company Financing) and (ii) to the extent any of such fees, costs, expenses and liabilities are paid or borne by the Company, Parent shall promptly (and in any event no later than the Closing Date) reimburse the Company for such fees, costs, expenses and liabilities.

(e) Subject to the Company s compliance with Section 5.14(a), (b) and (c) and to the making of the OpCo Cash Payment on the Closing Date, Parent shall cause (i) the Company Credit Agreement Payoff to occur on the Closing Date and (ii) either (x) the Discharge of all of the Company Notes to be consummated on the Closing Date or (y) with respect to the Company Notes not so Discharged, such Company Notes shall have been (in each case in a manner that is effective on the Closing Date) acquired and cancelled pursuant to a Debt Tender Offer (and any Company Notes not so acquired and cancelled or Discharged shall have been modified or waived (including with respect to any related indentures) in a manner reasonably satisfactory to Parent and the Company (and in compliance with all applicable federal securities Laws, Gaming Laws, the Company Credit Agreement and the Company Notes) to permit the Merger, the Distribution, the release of OpCo and all subsidiaries of OpCo as guarantors of any Company Notes and the other transactions contemplated by this Agreement, the Separation and Distribution Agreement and the OpCo

Spin-Off Agreements).

Table of Contents

Section 5.15 Notification of Certain Matters. Each of the Company and Parent shall promptly notify the other of any fact, event or circumstance known to it that (a) has had or is reasonably likely, individually or taken together with all other facts, events and circumstances known to it, to have a Company Material Adverse Effect, in the case of the Company, or Parent Material Adverse Effect, in the case of Parent or (b) would cause or constitute a material breach of any of its representations, warranties, covenants or agreements contained herein; provided that any failure to give notice in accordance with the foregoing with respect to any change or event shall not be deemed to constitute a violation of this Section 5.15 or the failure of any condition set forth in Section 6.2 or Section 6.3 to be satisfied, or otherwise constitute a breach of this Agreement by the party failing to give such notice, in each case unless the underlying change or event would independently result in a failure of the conditions set forth in Section 6.2 or Section 6.3 to be satisfied.

Section 5.16 OpCo Spin-Off Agreements.

(a) The Company shall use its reasonable best efforts to consummate the Distribution in accordance with Section 1.1 and the OpCo Spin-Off Agreements. Without limiting the foregoing, the Company shall use its reasonable best efforts to cause each condition set forth in Section 3.2 of the Separation and Distribution Agreement (other than Section 3.2(a)) to be satisfied as promptly as practicable following the date hereof, including preparing and filing a registration statement on Form 10 as soon as reasonably practicable (together with any amendments, supplements, prospectuses or information statements in connection therewith, the Spin-Off Registration Statement) to register the OpCo shares to be distributed in the Distribution. The Company shall timely provide drafts of the Spin-Off Registration Statement (and any amendments or supplement thereto) to Parent for review and comment (which comments shall be considered by the Company in good faith). Each of the Company and Parent shall cooperate reasonably with each other, and shall cause their respective Affiliates to so cooperate, to effectuate the transactions contemplated by OpCo Spin-Off Agreements and the Spin-Off Registration Statement.

(b) Any changes proposed by the Company to any of the OpCo Spin-Off Agreements from the forms attached to this Agreement as Exhibits A-D shall be subject to the prior approval of Parent (which approval shall not be unreasonably withheld, conditioned or delayed; provided that it shall be deemed reasonable for Parent to withhold its consent to any amendment which would be adverse to Parent in Parent s good faith determination). Following the execution of the OpCo Spin-Off Agreements, the Company shall not, nor shall the Company permit any of its Subsidiaries to, alter, amend or otherwise revise the OpCo Spin-Off Agreements, or waive any term thereof or any condition to the obligations thereunder, without the prior approval of Parent (which approval shall not be unreasonably withheld, conditioned or delayed; provided that it shall be deemed reasonable for Parent to withhold its consent to any alteration, amendment, revision or waiver which would be adverse to Parent in Parent s good faith determination).

Section 5.17 Financing.

(a) The Company shall, and shall cause its Subsidiaries to, and shall use reasonable best efforts to cause its and their respective Representatives to, at Parent s sole expense (provided that, notwithstanding the foregoing, expenses related to providing information under clauses (ii) and (v) below shall be paid 50% by the Company and 50% by Parent in the event such information is required to be included in the Joint Proxy Statement/Prospectus), provide to Parent such cooperation as is reasonably requested by Parent in connection with the Parent Financing or the Parent Equity Financing (provided that such requested cooperation (A) is consistent with applicable Law, (B) does not unreasonably interfere with the operations of the Company and its Subsidiaries, and (C) does not cause any director, officer or employee of the Company or any of its Subsidiaries or any Representatives to incur any personal liability), including (i) assisting with the preparation of customary materials relating to the Company and its Subsidiaries for rating agency presentations, offering documents, private placement memoranda, bank information memoranda, prospectuses and similar documents customarily required in connection with the Parent Financing or the Parent Equity Financing; (ii) as promptly as reasonably practical, furnishing Parent and its Financing Sources with financial and other information regarding the Company and its Subsidiaries as may be reasonably requested by Parent in good faith in a timely manner and that is customarily required to (x) prepare any offering memorandum, registration statement, confidential information memorandum, lender presentation and other materials customarily required in connection with the Parent Financing (including (A) financial and other information regarding the Company and its Subsidiaries required to be provided to Parent s Financing Sources pursuant to clause (ix) of Annex II of the Parent Financing Commitment as in effect as of the date hereof and, to the extent reasonably requested by Parent in good faith in a timely manner, the financial and other information regarding the Company and its Subsidiaries set forth in Section 2 and clause (x) of Annex II of the Parent Financing Commitment as in effect as of the date hereof to the extent customary and appropriate with respect to the Company and its Subsidiaries (or comparable provisions of any commitment for Parent Alternate Financing) and (B) the Financing Information) or (y) prepare a registration statement on Form S-1 or S-3 customarily required in connection with a Parent Equity Financing; (iii) using reasonable best efforts to obtain customary accountants comfort letters from the Company s independent accountants (including negative assurance comfort) with respect to the financial information regarding the Company and its Subsidiaries referenced in clause (ii) to the extent such financial information is customarily subject to a comfort letter (including providing any necessary management representation letters) and (iv) assisting Parent with Parent s preparation of pro forma financial information and pro forma financial statements as they relate to the Company and its Subsidiaries for rating agency presentations, bank information memoranda, registration statements and offering memoranda utilized in connection with the Parent Financing or the Parent Equity Financing.

(b) Neither the Company nor any of its Subsidiaries shall be required, under the provisions of this Section 5.17 or otherwise in connection with the Parent Financing, (i) to pay any commitment or other similar fee prior to the Effective Time that is not advanced or reimbursed promptly by Parent or (ii) to incur any cost or expense (including any cost of producing any Carve-Out Financials requested by Parent or its Financing Sources with respect to the Parent Financing or the Parent Equity Financing but not otherwise required by the SEC in connection with the Joint Proxy Statement/Prospectus) unless such cost or expense is promptly reimbursed by Parent (and in any event no later than the earlier of (1) immediately prior to the Distribution and (2) the termination of this Agreement in accordance with Article VII). Parent shall indemnify, defend, and hold harmless the Company, its Subsidiaries and their respective Representatives from and against any and all losses suffered or incurred by them in connection with any action taken by them at the request of Parent or Merger Sub pursuant to this Section 5.17 or in connection with the arrangement of the Parent Financing other than to the extent such losses arise from the bad faith, gross negligence or willful misconduct of the Company or its Subsidiaries. Nothing contained in this Section or otherwise shall require the board of directors of the Company or any of its Subsidiaries (as constituted prior to the Effective Time) to approve any Parent Financing or any Financing Agreement or other agreement related thereto. Further, nothing contained in this Section or otherwise shall require the Company to be an issuer or other obligor with respect to any Parent Financing on or prior to the Closing. All material non-public information regarding the Company and its Subsidiaries provided to Parent, Merger Sub or their respective Representatives pursuant to this Section 5.17 shall be kept confidential by them in accordance with the Confidentiality Agreement except for disclosure to potential lenders and investors and their respective officers, employees, representatives and advisors as required in connection with any Parent Financing or Parent Equity Financing subject to confidentiality protections customary for such Parent Financing and, in the case of any Parent Equity Financing or Parent Financing consisting of securities, to the extent required by applicable federal securities Laws. This Section 5.17(b) shall survive the consummation of the Merger and the Effective Time and any termination of this Agreement, and is intended to benefit, and may be enforced by, the Company and its Subsidiaries, and OpCo and its Subsidiaries (and the Company, OpCo and such Subsidiaries shall be third party beneficiaries of the Parent s obligations under this Section 5.17(b)), and their respective successors and assigns, and shall be binding on Parent and its successors and assigns.

(c) Parent shall use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to arrange, obtain and complete the Parent Debt Financing on or before the Closing on the terms and conditions described in the Parent Financing Commitment (as amended, supplemented, modified, replaced, terminated, reduced or waived in accordance with Section 5.17(d)), including using reasonable best efforts to:

(i) comply with, maintain in effect and enforce the Parent Financing Commitment, and, once entered into, the Financing Agreements with respect thereto;

(ii) negotiate Financing Agreements with respect to the Parent Debt Financing on the terms and conditions contained in the Parent Financing Commitment, or on other terms reasonably acceptable to Parent and not in violation of this Section 5.17;

(iii) satisfy on a timely basis all conditions applicable to the Parent Debt Financing in the Parent Financing Commitment and any Financing Agreements with respect thereto; and

(iv) in the event of a failure to fund (or threatened failure to fund) by the Parent Lenders in accordance with the Parent Financing Commitment that prevents, impedes or delays the Closing, enforce its rights under the Parent Financing Commitment and any Financing Agreements with respect thereto.

(d) Parent shall not agree to or permit any amendment, supplement or other modification or replacement of, or any termination or reduction of, or grant any waiver of, any condition, remedy or other provision under the Parent Financing Commitment without the prior written consent of the Company if such amendment, supplement, modification, replacement, termination, reduction or waiver would or would reasonably be expected to (i) delay or prevent the Closing, (ii) reduce the aggregate amount of the Parent Debt Financing from that contemplated by the Parent Financing Commitment as in effect on the date hereof, (iii) impose new or additional conditions or otherwise expand, amend or modify any of the conditions to the receipt of the Parent Debt Financing, in each case, in a manner that could adversely impact the ability of Parent to obtain the Parent Debt Financing or (iv) adversely impact in any material respect the ability of Parent or Merger Sub to enforce its rights against the other parties to the Parent Financing Commitment; it being understood that notwithstanding the foregoing Parent may (x) amend the Parent Financing Commitment to add lenders, lead arrangers, bookrunners, syndication agents or similar entities who had not executed the Parent Financing Commitment as of the date of this Agreement, (y) reduce the aggregate amount of the Parent Debt Financing by the amount of, or the amount of any commitment for, any debt financing of Parent and/or GLP Capital, L.P., the terms of which comply with clauses (i), (iii) and (iv) above (any such financing, a Parent Permanent Financing, and together with the Parent Debt Financing, the Parent Financing) and (z) reduce the aggregate amount of the Parent Debt Financing by the amount raised by Parent through the Parent Equity Financings. Upon any amendment, supplement, modification, replacement, termination, reduction or waiver of the Parent Financing Commitment in accordance with this Section 5.17(d), Parent shall deliver a copy thereof to the Company (including any principal documents entered into in connection with a Parent Permanent Financing or Parent Equity Financing) and (i) references herein to Parent Financing Commitment shall include such documents as amended, supplemented, modified, replaced, terminated, reduced or waived in compliance with this Section 5.17(d) (including any documents entered into in connection with a Parent Permanent Financing or Parent Equity Financing) and (ii) references to Parent Debt Financing or Parent Financing shall include the financing contemplated by the Parent Financing Commitment as amended, supplemented, modified, replaced, terminated, reduced or waived in compliance with this Section 5.17(d) and by any Parent Permanent Financing or Parent Equity Financing.

(e) Notwithstanding Section 5.17(d) above, in the event any portion of the Parent Debt Financing becomes or would reasonably be expected to become unavailable on the terms and conditions contemplated in the Parent Financing Commitment (other than, for the avoidance of doubt, with respect to any reduction of the Parent Financing Commitment solely by the terms thereof with respect to any Parent Permanent Financing or Parent Equity Financing), (A) Parent shall promptly notify the Company and (B) Parent shall use its reasonable best efforts to arrange and obtain alternative financing from alternative sources (the Parent Alternate Financing) (x) on conditions not less favorable to Parent and Merger Sub than the Parent Financing Commitment, (y) at least equal to the amount of such portion of the Parent Financing Commitment and in an amount sufficient to consummate the Merger on the Closing Date as promptly as practicable following the occurrence of such event (and in any event no later than Closing) and (z) other than as set forth in (x) or (y), on terms not materially less beneficial to Parent or Merger Sub. Copies (redacted for provisions related to fee amounts to the extent required by the applicable Financing Sources) of any new financing commitment letter (including any associated engagement letter and related fee letter) shall be promptly provided to the Company. In the event any Parent Alternate Financing is obtained in accordance with this Section 5.17, any reference in this Agreement to "Parent Financing Commitment", "Parent

Debt Financing or Parent Financing shall include the debt financing contemplated by such Parent Alternate Financing. Except as provided elsewhere in this Section 5.17 and subject to the limitations in Section 5.17(d), nothing contained in this Agreement shall prohibit Parent from entering into Financing Agreements relating to the Parent Debt Financing; provided that such Financing Agreements may contain other conditions if such Financing Agreements do not result in a reduction or replacement of Parent Financing Commitments prior to the funding of the Parent Financing under such Financing Agreement.

(f) Parent shall (i) give the Company prompt written notice of any default, breach or threatened breach in writing by any party of any of the Parent Financing Commitment or Financing Agreements related thereto of which Parent, Merger Sub or any of their Representatives or Affiliates become aware or any termination or threatened termination in writing thereof, and (ii) otherwise keep the Company reasonably informed of the status of its efforts to arrange the Parent Debt Financing (or any Parent Permanent Financing or Parent Alternate Financing or Parent Equity Financing).

(g) In the event any Parent Financing or Parent Equity Financing is funded in advance of the Closing Date (or any other financing constituting an Automatic Commitment Reduction as defined in the Parent Financing Commitment as in effect as of the date hereof is consummated), Parent, or its applicable Subsidiary, shall keep and maintain at all times prior to the Closing Date the proceeds of such Parent Financing or Parent Equity Financing available for the purpose of funding the transactions contemplated by this Agreement and such proceeds shall be maintained as unrestricted cash or cash equivalents, free and clear of all Liens; provided that if the terms of such Parent Financing or Parent Equity Financing requires the proceeds of such Parent Financing or Parent Equity Financing to be held in escrow (or similar arrangement) pending the consummation of the transactions contemplated under this Agreement, then such proceeds may be held in escrow, solely to the extent the conditions to the release of such funds are no more onerous than the Parent Financing Commitment; provided, further, that the proceeds of any such Parent Financing or Parent Equity Financing may be used to repurchase any or all of the Company Notes prior to the Closing Date so long as such Company Notes are redeemed, repurchased and/or satisfied and discharged on or prior to the Closing Date.

(h) Parent shall, and shall cause its Subsidiaries to, and shall use reasonable best efforts to cause its and their Representatives to, at the Company s sole expense, provide to the Company such cooperation as is reasonably requested by the Company in good faith in a timely manner and consistent with Article XVII of the Master Lease as if such agreement were in effect at such time and that is customarily required in connection with the Company Financing to assist the Company in connection with the granting of any Liens on any leasehold interest in property subject to the Master Lease required under any Financing Agreement related to such Company Financing, and to otherwise take such actions in connection with the Company Financing as may be required under Article XVII of the Master Lease (as if such agreement were in effect), including to the extent any consents, approvals, estoppel certificates or subordination and non-disturbance agreements are required by the Company and its Financing Sources under any Financing Agreement related to such Company Financing (provided that such requested cooperation (A) is consistent with applicable Law, (B) does not unreasonably interfere with the operations of Parent and its Subsidiaries and (C) does not cause any director, officer or employee of Parent or any of its Subsidiaries or any Representatives to incur any personal liability).

(i) The Company shall use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to arrange, obtain and complete the Company Debt Financing on or before the Closing on the terms and conditions described in the Company Financing Commitment (as amended, supplemented, modified, replaced, terminated, reduced or waived in accordance with Section 5.17(j)), including using reasonable best efforts to:

(i) comply with, maintain in effect and enforce the Company Financing Commitment, and, once entered into, the Financing Agreements with respect thereto;

(ii) negotiate Financing Agreements with respect to the Company Debt Financing on the terms and conditions contained in the Company Financing Commitment, or on other terms reasonably acceptable to Parent and not in violation of this Section 5.17;

Table of Contents

(iii) satisfy on a timely basis all conditions applicable to the Company Debt Financing in the Company Financing Commitment and any Financing Agreements with respect thereto; and

(iv) in the event of a failure to fund (or threatened failure to fund) by the Company Lenders in accordance with the Company Financing Commitment that prevents, impedes or delays the Closing, enforce its rights under the Company Financing Commitment and any Financing Agreements with respect thereto.

(j) The Company shall not agree to or permit any amendment, supplement or other modification or replacement of, or any termination or reduction of, or grant any waiver of, any condition, remedy or other provision under the Company Financing Commitment without the prior written consent of Parent if such amendment, supplement, modification, replacement, termination, reduction or waiver would or would reasonably be expected to (i) delay or prevent the Closing, (ii) reduce the aggregate amount of the Company Debt Financing from that contemplated by the Company Financing Commitment as in effect on the date hereof, (iii) impose new or additional conditions or otherwise expand, amend or modify any of the conditions to the receipt of the Company Debt Financing, in each case, in a manner that could adversely impact the ability of the Company to obtain the Company Debt Financing or (iv) adversely impact in any material respect the ability of the Company to enforce its rights against the other parties to the Company Financing Commitment; it being understood that notwithstanding the foregoing the Company may (x) amend the Company Financing Commitment to add lenders, lead arrangers, bookrunners, syndication agents or similar entities who had not executed the Company Financing Commitment as of the date of this Agreement and (y) reduce the aggregate amount of the Company Debt Financing by the amount of any debt financing, the terms of which comply with clauses (i), (iii) and (iv) above (any such financing, a Company Permanent Financing , and together with the Company Debt Financing, the Company Financing). Upon any amendment, supplement, modification, replacement, termination, reduction or waiver of the Company Financing Commitment in accordance with this Section 5.17(j), the Company shall deliver a copy thereof to Parent (including any principal documents entered into in connection with a Company Permanent Financing) and (i) references herein to Company Financing Commitment shall include such documents as amended, supplemented, modified, replaced, terminated, reduced or waived in compliance with this Section 5.17(j) (including any documents entered into in connection with a Company Permanent Financing) and (ii) references to Company Debt Financing or Company Financing shall include the financing contemplated by the Company Financing Commitment as amended, supplemented, modified, replaced, terminated reduced or waived in compliance with this Section 5.17(j) and by any Company Permanent Financing.

(k) Notwithstanding Section 5.17(j) above, in the event any portion of the Company Debt Financing becomes or would reasonably be expected to become unavailable on the terms and conditions contemplated in the Company Financing Commitment (other than, for the avoidance of doubt, with respect to any reduction of the Company Financing Commitment solely by the terms thereof with respect to any Company Permanent Financing), (A) the Company shall promptly notify Parent and (B) the Company shall use its reasonable best efforts to arrange and obtain alternative financing from alternative sources (the Company Alternate Financing) (x) on conditions not less favorable to the Company than the Company Financing Commitment, (y) at least equal to the amount of such portion of the Company Financing Commitment in an amount sufficient to make the OpCo Cash Payment on the Closing Date as promptly as practicable following the occurrence of the Distribution (and in any event no later than Closing) and (z) other than as set forth in (x) or (y), on terms not materially less beneficial to the Company. Copies (redacted for provisions related to fee amounts to the extent required by the applicable Financing Sources) of any new financing commitment letter (including any associated engagement letter and related fee letter) shall be promptly provided to Parent. In the event any Company Alternate Financing is obtained in accordance with this Section 5.17, any reference in this Agreement to Company Financing Commitment , Company Debt Financing or Company Financing shall include the debt financing contemplated by such Company Alternate Financing. Except as provided elsewhere in this Section 5.17 and subject to the limitation in Section 5.17(j), nothing contained in this Agreement shall prohibit the Company from entering into Financing Agreements relating to the Company Debt Financing; provided that such

Financing Agreements may contain other conditions if such Financing Agreements do not result in a reduction or replacement of the Company Financing Commitment prior to the funding of the Company Financing under such Financing Agreements.

Table of Contents

(l) The Company shall (i) give Parent prompt written notice of any default, breach or threatened breach in writing by any party of any of the Company Financing Commitment or Financing Agreements related thereto of which the Company or any of its Representatives or Affiliates becomes aware or any termination or threatened termination in writing thereof, and (ii) otherwise keep Parent reasonably informed of the status of its efforts to arrange the Company Debt Financing (or any Company Permanent Financing).

(m) In the event any Company Financing is funded in advance of the Closing Date, the Company shall keep and maintain at all times prior to the Closing Date the proceeds of such Company Financing available for the purpose of funding the transactions contemplated by the OpCo Spin-Off Agreements and such proceeds shall be maintained as unrestricted cash or cash equivalents, free and clear of all Liens; provided that if the terms of such Company Financing requires the proceeds of such Company Financing to be held in escrow (or similar arrangement) pending the consummation of the transactions contemplated under this Agreement, then such proceeds may be held in escrow, solely to the extent the conditions to the release of such funds are no more onerous than the Company Financing Commitment.

(n) Each of Parent, Merger Sub and the Company acknowledges and agrees that neither the obtaining of the Parent Financing, the Parent Equity Financing nor the Company Financing is a condition to the Closing.

(o) From and after the date hereof until the earlier of the Effective Time and the Termination Date, Parent shall, and shall cause its applicable Subsidiaries to, (i) maintain availability for revolving loans under the Parent Credit Agreement in an amount (the Required Parent Revolver Amount) equal to $411,000,000 minus (x) the proceeds of any Parent Permanent Financing or Parent Equity Financing that does not reduce the bridge commitments under the Parent Financing Commitment, and (y) to the extent the terms thereof comply with Section 5.17(d)(i), (iii) and (iv), the aggregate proceeds contemplated by any commitment for any revolving loans under the Parent Credit Agreement, and, in the case of each of clause (x) and (y) above, subject to Section 5.17(g) and (ii) in the event the Required Parent Revolver Amount is greater than $0, ensure that the conditions precedent set forth in Section 4.02 of the Parent Credit Agreement or otherwise applicable to borrowings of revolving loans under the Parent Credit Agreement shall be capable of being satisfied at all times prior to, and on, the Closing Date (as if the Required Parent Revolver Amount were being borrowed on such date); provided that in the event that all or any portion of the Required Parent Revolver Amount becomes unavailable on the terms and conditions contemplated in the Parent Credit Agreement, Parent shall have sixty (60) days to (x) cure such unavailability under the Parent Credit Agreement or (y) arrange and obtain alternative financing from alternative sources (1) on conditions not less favorable to Parent and Merger Sub than the Parent Financing Commitment and (2) at least equal to the amount of such portion of the Required Parent Revolver Amount; provided that in no event shall such sixty (60) day period extend beyond the date on which the Closing Date is required to occur. Copies (redacted for provisions related to fee amounts to the extent required by the applicable Financing Sources) of any new financing commitment letter (including any associated engagement letter and related fee letter) shall be promptly provided to the Company.

Section 5.18 Asset Sales. After the date hereof but prior to the Effective Time, at Parent s direction, the Company will enter into one or more Purchase Agreements (each, a Purchase Agreement) pursuant to which Parent, a limited partnership or other entity to be formed by Parent or a Subsidiary of Parent (in each case, an Acquisition Vehicle), would purchase, and the Company and certain Subsidiaries would sell, certain assets and equity interests of PropCo that are PropCo Assets (as such term is defined in the Separation and Distribution Agreement) specified by the Purchase Agreement therein that Parent in good faith deems necessary or appropriate to permit the assets, income, and operations of the Company and its Subsidiaries to be consistent with the status of Parent as a REIT under the Code (taking into account the transactions contemplated by the OpCo Spin-Off Agreements) from and after the Effective Time (the Asset Sales) on the terms and subject to the conditions specified by the Purchase Agreement therein; provided that (a) the Company s obligation to consummate any Asset Sales as contemplated by this Section 5.18 shall be subject to the condition that (i) the conditions set forth in Section 6.1 and Section 6.2 have been satisfied, (ii) that Parent has confirmed that Parent is prepared to proceed immediately with the Closing, and (iii) that Parent shall have delivered to the Company the certificate referred to in Section 6.2(d); (b) concurrently with Parent s delivery of the certificate referred to in clause (a)(iii) of this proviso, the Company shall deliver the certificate referred to in Section 6.3(d) and the documents, agreements and instruments referred to in this Section 5.18; and (c) following the delivery by Parent of the certificate referred to in clause (a)(iii) of this proviso and the delivery by the Company of the items referred to in clause (b) of this proviso, all conditions set forth in Section 6.3 shall be deemed to have been satisfied or waived. The closing of the Asset Sales would occur immediately prior to the Effective Time. The Company agrees to take, or cause to be taken, all reasonable actions and to do, or cause to be done, all reasonable things as may be reasonably necessary to consummate and make the Asset Sales, if any, effective immediately prior to the Effective Time, including (i) execution and delivery of Purchase Agreements in form and substance acceptable to the Parent, (ii) execution and delivery of such other documents, agreements, deeds and instruments and taking such other actions as may be reasonably requested by the Parent, and (iii) execution and delivery of appropriate amendments to this Agreement to give effect to such Asset Sales; provided that in no event, shall the Company be obligated to incur liability, pay costs or other monies or take any irrevocable action prior to the time which is immediately prior to the Effective Time. Any indebtedness of the Acquisition Vehicle to the Company or any of its Subsidiaries in connection with such Asset Sales shall be on arm s length terms. Notwithstanding anything in the foregoing, (i) any costs incurred or liabilities arising out of or in connection with any Asset Sale shall be deemed a Pinnacle Liability (as defined in the Separation and Distribution Agreement) for purposes of the Transaction Documents (as defined in the Separation and Distribution Agreement) and shall not be deemed Transaction Expenses (as defined in the Separation and Distribution Agreement) and (ii) no Asset Sale shall materially delay or prevent the consummation of the Merger or the other transactions contemplated thereby.

Section 5.19 Obligations of Merger Sub. Parent shall take all action necessary to cause each of Merger Sub and the Surviving Company to perform their respective obligations under this Agreement and to cause Merger Sub to consummate the transactions contemplated hereby, including the Merger, upon the terms and subject to the conditions set forth in this Agreement.

Section 5.20 Master Lease Schedule. The Company shall prepare and deliver to Parent no later than one hundred twenty (120) days after the date of this Agreement, Schedule C to the Master Lease (Schedule C) setting forth for each Facility (as defined in the Master Lease) all space currently utilized in the operation of such Facility, including, without limitation, all public spaces, back of the house, employee areas and other service areas. The Company shall provide Parent with a reasonable opportunity to review and comment on Schedule C (which comments shall be considered by the Company in good faith), including providing reasonable supporting detail at Parent s request, and the final form of Schedule C shall be reasonably acceptable to Parent.

ARTICLE VI

CONDITIONS TO THE MERGER

Section 6.1 Conditions to Each Party s Obligation to Effect the Merger. The respective obligations of each party to effect the Merger shall be subject to the fulfillment (or waiver by all parties, to the extent permissible under applicable Law) at or prior to the Effective Time of the following conditions:

(a) (i) The Company Stockholder Approval and (ii) the Parent Shareholder Approval shall have been obtained;

(b) No injunction by any court or other tribunal of competent jurisdiction shall have been entered and shall continue to be in effect and no Law shall have been adopted or be effective, in each case that prohibits the consummation of the Merger or any of the transactions contemplated hereby, including under the OpCo Spin-Off Agreements;

(c) The Form S-4 shall have been declared effective by the SEC under the Securities Act and no stop order suspending the effectiveness of the Form S-4 shall have been issued by the SEC and no proceedings for that purpose shall have been initiated or threatened by the SEC;

(d) The shares of Parent Common Stock to be issued in the Merger shall have been approved for listing on NASDAQ, subject to official notice of issuance;

(e) All Requisite Gaming Approvals shall have been duly obtained and shall be in full force and effect;

(f) The Spin-Off Registration Statement shall have become effective under the Securities Act and the Exchange Act, as applicable, and shall not be the subject of any stop order or proceedings seeking a stop order and no proceedings for that purpose shall have been initiated or overtly threatened by the SEC and not concluded or withdrawn;

(g) The Distribution shall have been completed in accordance with the OpCo Spin-Off Agreements; and

(h) No Action shall be pending before, or threatened in writing by, the U.S. Antitrust Division of the Department of Justice or the Federal Trade Commission wherein an unfavorable judgment, decree, injunction, order or ruling would prevent the performance of this Agreement or the OpCo Spin-Off Agreements or any of the transactions contemplated hereby or thereby, declare unlawful the transactions contemplated by this Agreement or the OpCo Spin-Off Agreements or cause such transactions to be rescinded or reasonably be expected to cause a Regulatory MAE.

Section 6.2 Conditions to Obligation of the Company to Effect the Merger. The obligation of the Company to effect the Merger is further subject to the fulfillment (or waiver by the Company) at or prior to the Effective Time of the following conditions:

(a) (i) the representations and warranties of Parent and Merger Sub set forth in Section 4.1(a), Section 4.1(d), Section 4.1(e), Section 4.2(a) and Section 4.11 shall be true and correct in all material respects, both when made and at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date) and (ii) the other representations and warranties of Parent and Merger Sub set forth in Article IV shall be true and correct both at and as of the date of this Agreement and at and as of the Closing Date as though made at and as of the Closing Date, except with respect to this clause (ii) where such failures to be so true and correct (without regard to materiality and similar qualifiers contained in such representations and warranties) have not and would not, individually or in the aggregate, have a Parent Material Adverse Effect;

(b) Parent shall have in all material respects performed all obligations and complied with all covenants required by this Agreement to be performed or complied with by it prior to the Effective Time;

(c) Since the date of this Agreement, there has not been any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a Parent Material Adverse Effect;

(d) Parent shall have delivered to the Company a certificate, dated the Closing Date and signed by Parent s Chief Executive Officer or Chief Financial Officer, certifying to the effect that the conditions set forth in Section 6.2(a), Section 6.2(b) and Section 6.2(c) have been satisfied;

(e) The Company shall have received a written opinion from Skadden, Arps, Slate, Meagher & Flom LLP, counsel to the Company, dated as of the Closing Date, and based on the facts, representations, assumptions and exclusions set forth or described in such opinion, to the effect that the Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. Such counsel shall be entitled to rely upon representation letters, including representation letters from each of Parent and the Company, in each case, in form and substance satisfactory to such counsel; and

(f) The Company shall have received a written opinion from KPMG LLP, dated as of the Closing Date and addressed to the Company, in form and substance satisfactory to the Company, that, commencing with Parent s taxable year ended December 31, 2014, Parent has been organized and operated in conformity with the requirements for qualification as a REIT under the Code and its proposed method of operation will enable it to continue to meet the requirements for qualification and taxation as a REIT under the Code thereafter, as well as copies of all certifications provided by Parent to such firm in connection with its opinion.

Section 6.3 Conditions to Obligation of Parent to Effect the Merger. The obligation of Parent to effect the Merger is further subject to the fulfillment (or the waiver by Parent) at or prior to the Effective Time of the following conditions:

(a) (i) the representations and warranties of the Company set forth in Section 3.2(a) shall be true and correct in all respects (except for only *de minimis* inaccuracies) as of the date of this Agreement and as of the Closing Date, as though made on and as of the Closing Date (except to the extent expressly made as of an earlier date, in which case as of such date), (ii) the representations and warranties of the Company set forth in Section 3.1(a), Section 3.2 (other than Section 3.2(a)), Section 3.3(a), Section 3.19, Section 3.20 and Section 3.22 shall be true and correct in all material respects, both when made and at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date) and (iii) the other representations and warranties of the Company set forth in Article III shall be true and correct both when made and at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date), except with respect to this clause (iii) where the failure of such representations and warranties to be so true and correct (without regard to any qualifications or exceptions contained as to materiality or Company Material Adverse Effect contained in such representations and warranties) has not had or would not have, individually or in the aggregate, a Company Material Adverse Effect;

(b) The Company shall have in all material respects performed all obligations and complied with all covenants required by this Agreement to be performed or complied with by it prior to the Effective Time;

(c) Since the date of this Agreement, there has not been any event, change, effect, development or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect;

(d) The Company shall have delivered to Parent a certificate, dated the Closing Date and signed by its Chief Executive Officer or Chief Financial Officer, certifying to the effect that the conditions set forth in Section 6.3(a), Section 6.3(b) and Section 6.3(c) have been satisfied; and

(e) Parent shall have received a written opinion from Wachtell, Lipton, Rosen & Katz, counsel to Parent, dated as of the Closing Date, and based on the facts, representations, assumptions and exclusions set forth or described in such opinion, to the effect that the Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. Such counsel shall be entitled to rely upon representation letters, including representation letters from each of Parent and the Company, in each case, in form and substance satisfactory to such counsel.

Section 6.4 Frustration of Closing Conditions. Neither the Company nor Parent may rely, either as a basis for not consummating the Merger or terminating this Agreement and abandoning the Merger, on the failure of any condition set forth in Section 6.1, Section 6.2 or Section 6.3, as the case may be, to be satisfied if such failure was caused by such party s Willful and Material Breach of any material provision of this Agreement.

ARTICLE VII

TERMINATION

Section 7.1 Termination or Abandonment. Notwithstanding anything in this Agreement to the contrary, this Agreement may be terminated and abandoned at any time prior to the Effective Time, whether before or after the Company Stockholder Approval has been obtained (except as otherwise provided below):

(a) by the mutual written consent of the Company and Parent;

(b) by either the Company or Parent, if the Merger shall not have been consummated on or prior to March 31, 2016 (provided that if on March 31, 2016 the condition to closing set forth in Section 6.1(b), Section 6.1(e) or Section 6.1(h) shall not have been satisfied but all other conditions to Closing shall have been satisfied (or in the case of conditions that by their terms are to be satisfied at the Closing, shall be capable of being satisfied on June 30, 2016) or waived by all parties entitled to the benefit of such conditions, then, at the election of Parent, such date may be extended to June 30, 2016 (the End Date Extension)) if Parent provides written notice to the Company on or prior to March 31, 2016 (March 31, 2016, as such date may be extended by the End Date Extension, the End Date); provided that the right to terminate this Agreement pursuant to this Section 7.1(b) shall not be available to a party if the failure of the Closing to occur by such date shall be due to the material breach by such party of any representation, warranty, covenant or other agreement of such party set forth in this Agreement;

(c) by either the Company or Parent, if an injunction shall have been entered permanently restraining, enjoining or otherwise prohibiting the consummation of the Merger and such injunction shall have become final and nonappealable; provided, however, that the right to terminate this Agreement under this Section 7.1(c) shall not be available to a party if such injunction was primarily due to the failure of such party to perform any of its obligations under this Agreement;

(d) by either the Company or Parent, if (i) the Company Stockholders Meeting (including any adjournments or postponements thereof) shall have concluded and the Company Stockholder Approval shall not have been obtained or (ii) the Parent Shareholders Meeting (including any adjournments or postponements thereof) shall have concluded and the Parent Shareholder Approval shall not have been obtained;

(e) by the Company, if Parent or Merger Sub shall have breached or failed to perform any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform (i) if it occurred or was continuing to occur on the Closing Date, would result in a failure of a condition set forth in Section 6.2(a) or Section 6.2(b) and (ii) by its nature, cannot be cured prior to the End Date or, if such breach or failure is capable of being cured by the End Date, Parent has not cured such breach or failure within thirty (30) days after receiving written notice from the Company describing such breach or failure in reasonable detail (provided that the Company is not then in material breach of any representation, warranty, covenant or other agreement contained herein that would result in a failure of a condition set forth in Section 6.3(a) or Section 6.3(b));

(f) by Parent, if the Company shall have breached or failed to perform any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform (i) if it occurred or was continuing to occur on the Closing Date, would result in a failure of a condition set forth in Section 6.3(a) or Section 6.3(b) and (ii) by its nature, cannot be cured prior to the End Date or, if such breach or failure is capable of being cured by the End Date, the Company has not cured such breach or failure within thirty (30) days after receiving written notice from Parent describing such breach or failure in reasonable detail (provided that Parent is not then in material breach of any representation, warranty, covenant or other agreement contained herein that would result in a failure of a condition set forth in Section 6.2(a) or Section 6.2(b)); or

(g) by Parent, prior to receipt of the Company Stockholder Approval in the event of an Adverse Recommendation Change.

Table of Contents

Section 7.2 Effect of Termination. In the event of termination of this Agreement pursuant to Section 7.1, notice thereof shall be given to the other party or parties, specifying the provisions hereof pursuant to which such termination is made and the basis therefor described in reasonable detail, and this Agreement shall terminate (except for the provisions of this Section 7.2, Section 7.3 and Article VIII), and there shall be no other liability on the part of the Company or Parent to the other except as provided in the Confidentiality Agreement, this Section 7.2, Section 7.3, the provisions of Section 5.17(b) and liability arising out of or the result of, fraud or any Willful and Material Breach of any covenant or agreement or Willful and Material Breach of any representation or warranty in this Agreement occurring prior to termination, in which case the aggrieved party shall not be limited to expense reimbursement or any fee payable pursuant to Section 7.3, and shall be entitled to all rights and remedies available at law or in equity.

Section 7.3 Termination Fee; Expenses.

(a) If this Agreement is terminated:

(i) by Parent pursuant to Section 7.1(g) in the event of an Adverse Recommendation Change; or

(ii) (x) by the Company or Parent pursuant to Section 7.1(d)(i) hereof, (y) a Company Takeover Proposal shall have been publicly announced or shall have become publicly known and shall not have been publicly withdrawn by a date that is at least fifteen (15) Business Days prior to the Company Stockholders Meeting and (z) within twelve (12) months of the termination of this Agreement, the Company or any of its Subsidiaries enters into a definitive agreement with a third party with respect to or consummates a transaction that is a Company Takeover Proposal with a third party;

then the Company shall pay to Parent the Company Termination Fee by wire transfer (to an account designated by Parent) in immediately available funds in the case of clause (i), within two (2) Business Days of such termination, or, in the case of clause (ii), upon the earlier of the entry into a definitive agreement with respect to the transactions contemplated by such Company Takeover Proposal and the consummation of such transactions.

(b) If this Agreement is terminated by (A) either Parent or the Company pursuant to Section 7.1(c) in connection with any injunction, order, decree or ruling relating to gaming, antitrust or related Laws or any related consents or approvals, including the Gaming Approvals or (B) either Parent or the Company pursuant to Section 7.1(b) and at the time of such termination, any of the conditions set forth in Section 6.1(b), Section 6.1(e) or Section 6.1(h) shall not have been satisfied and the conditions in Section 6.1(a)(i), Section 6.1(f), Section 6.3(a), Section 6.3(b), Section 6.3(c) and Section 6.3(d) have been satisfied or are capable of being satisfied at or prior to the Closing, then Parent shall pay to the Company promptly (but in any event no later than the second Business Day after such termination), the Parent Termination Fee; provided that Parent shall not be obligated to pay such fee if the primary cause of such termination was an adverse suitability finding under Gaming Laws with respect to the OpCo Business.

(c) Expense Reimbursement. If this Agreement is terminated by either Parent or the Company pursuant to Section 7.1(d)(ii), Parent shall pay the Company $20,000,000 in respect of the Company s expenses in connection with this Agreement (the Company Expense Reimbursement), by wire transfer (to an account designated in writing by the Company) in immediately available funds within two (2) Business Days after such termination. If this Agreement is terminated by either Parent or the Company pursuant to Section 7.1(d)(i), the Company shall pay Parent the Parent Expense Reimbursement in respect of Parent s expenses in connection with this Agreement, by wire transfer (to an account designated in writing by Parent) in immediately available funds within two (2) Business Days after such termination. Notwithstanding anything to the contrary in this Section 7.3(c), in the event that both the Company Stockholder Approval and the Parent Shareholder Approval have not been obtained at the Company Stockholders Meeting and the Parent Shareholders Meeting, respectively, neither the Company nor Parent shall be entitled to receive the Company Expense Reimbursement or the Parent Expense Reimbursement, respectively. Parent Expense Reimbursement shall be an amount equal to the lesser of (i) $20,000,000 (the Maximum Expense Amount) and (ii) the maximum amount, if any, that can be paid to Parent, without causing it to fail to meet the requirements of Sections 856(c)(2) and (3) of the Code for such year determined as if (a) the payment of such amount did not constitute income described in Sections 856(c)(2)(A) (I) and 856(c)(3)(A) (I) of the Code (Qualifying Income), and (b) the recipient has $1,000,000 of income from unknown sources during such year which was not Qualifying Income (in addition to any known or anticipated income which was not Qualifying Income), in each case as determined by independent accountants to Parent. Notwithstanding the foregoing, in the event Parent, receives a reasoned opinion from outside counsel or a ruling from the IRS (Tax Guidance) providing that Parent s receipt of the Maximum Expense Amount would either constitute Qualifying Income or would be excluded from gross income within the meaning of Sections 856(c)(2) and (3) of the Code (the REIT Requirements), the Parent Expense Reimbursement shall be an amount equal to the Maximum Expense Amount and the Company shall, upon receiving notice that Parent, as the case may be, has received the Tax Guidance, pay to Parent the unpaid Maximum Expense Amount within five (5) Business Days. In the event that Parent is not able to receive the full Maximum Expense Amount due to the above limitations, the Company shall place the unpaid amount in escrow by wire transfer within three (3) Business Days of termination and shall not release any portion thereof to Parent unless and until Parent receives either one or a combination of the following: (i) a letter from Parent s independent accountants indicating the maximum amount that can be paid at that time to Parent without causing Parent to fail to meet the REIT Requirements (calculated as described above) or (ii) the Tax Guidance, in either of which events the Company shall pay to Parent the lesser of the unpaid Maximum Expense Amount or the maximum amount stated in the letter referred to in (i) of this sentence within five (5) Business Days after the Company has been notified thereof. The obligation of the Company, as the case may be, to pay any unpaid portion of the Maximum Expense Amount shall terminate on the December 31 following the date which is five (5) years from the date of this Agreement. Amounts remaining in escrow after the obligation of the Company to pay the Maximum Expense Amount terminates shall be released to the Company. Parent Termination Fee shall be an amount equal to $150,000,000. Company Termination Fee shall be an amount equal to the lesser of (i) $60,000,000 (the Base Amount) and (ii) the maximum amount, if any, that can be paid to Parent without causing it to fail to meet the requirements of Sections 856(c)(2) and (3) of the Code for such year determined as if (a) the payment of such amount did not constitute Qualifying Income, and (b) Parent has $1,000,000 of income from unknown sources during such year which was not Qualifying Income (in addition to any known or anticipated income of Parent which was not Qualifying Income), in each case as determined by independent accountants to Parent. Notwithstanding the foregoing, in the event Parent receives Tax Guidance providing that Parent s receipt of the Base Amount would either constitute Qualifying Income or would be excluded from gross income within the meaning of the REIT Requirements, the Company Termination Fee shall be an amount equal to the Base Amount and the Company shall, upon receiving notice that Parent has received the Tax Guidance, pay to Parent the unpaid Base Amount within five (5) Business Days. In the event that Parent is not able to receive the full Base Amount due to the above limitations, the Company shall place the unpaid amount in escrow by wire transfer within three (3) Business Days of termination and shall not release any portion thereof to Parent unless and until Parent receives either one or a combination of the following: (i) a letter from Parent s independent accountants indicating the maximum amount that can be paid at that time to Parent without causing Parent to fail to meet the REIT Requirements (calculated as described above) or (ii) the Tax Guidance, in either of which events the Company shall pay to Parent the lesser of the unpaid Base Amount or the maximum amount stated in the letter referred to in (i) of this sentence within five (5) Business Days after the Company has been notified thereof.

(d) The payment of the Parent Termination Fee or the Company Termination Fee, as applicable (in each case, a Termination Fee Payment) shall be compensation and liquidated damages for the loss suffered by the Company or the Parent, as applicable, as a result of the failure of the Merger to be consummated and to avoid the difficulty of determining damages under the circumstances and neither party shall have any other liability to the other after the payment of such Termination Fee Payment, except in the case of fraud or a Willful and Material Breach. The obligation of the Company to pay any unpaid portion of the Company Termination Fee shall terminate on the December 31 following the date which is five (5) years from the date of this Agreement. Amounts remaining in escrow after the obligation of the Company to pay the Company Termination Fee terminates shall be released to the Company. Notwithstanding anything to the contrary in this Agreement, if the

Table of Contents

Termination Fee Payment shall become due and payable in accordance with Section 7.3(a) or Section 7.3(b), as applicable, from and after such termination and payment of the Termination Fee Payment pursuant to and in accordance with Section 7.3(a) or Section 7.3(b), as applicable, the paying party shall have no further liability of any kind for any reason in connection with this Agreement or the termination contemplated hereby other than as provided under Section 7.3(a) or Section 7.3(b), as applicable, except in the case of fraud or a Willful and Material Breach. Each of the parties hereto acknowledges that the Termination Fee Payment, Parent Expense Reimbursement and Company Expense Reimbursement are not intended to be a penalty, but rather are liquidated damages in a reasonable amount that will compensate the Company or Parent, as the case may be, in the circumstances in which such Termination Fee Payment and/or expense reimbursement is due and payable and which do not involve fraud or Willful and Material Breach, for the efforts and resources expended and opportunities foregone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated hereby, which amount would otherwise be impossible to calculate with precision. In no event shall any party be entitled to more than one payment of the Termination Fee Payment in connection with a termination of this Agreement pursuant to which the Termination Fee Payment is payable, and if the Termination Fee Payment is payable at such time as the receiving party has already received payment or concurrently receives payment from the paying party in respect of the Parent Expense Reimbursement or the Company Expense Reimbursement, as applicable, the amount of such Parent Expense Reimbursement or Company Expense Reimbursement actually received by Parent or the Company, as applicable, shall be deducted from the Termination Fee Payment. Solely for purposes of this Section 7.3, Company Takeover Proposal shall have the meaning ascribed thereto in Section 8.15(b)(v), except that all references to 15% shall be changed to 50.1%.

(e) Each of the Company, Parent and Merger Sub acknowledges that the agreements contained in this Section 7.3 are an integral part of the transactions contemplated hereby, and that, without these agreements, the Company, Parent and Merger Sub would not enter into this Agreement. Accordingly, if a party fails to pay in a timely manner any amount due pursuant to this Section 7.3, then (i) such party shall reimburse the other party for all costs and expenses (including disbursements and reasonable fees of counsel) incurred in the collection of such overdue amount, including in connection with any related Actions commenced and pay interest on such amount from and including the date payment of such amount was due to but excluding the date of actual payment at the prime rate set forth in The Wall Street Journal in effect on the date such payment was required to be made.

ARTICLE VIII

MISCELLANEOUS

Section 8.1 No Survival. None of the representations, warranties, covenants and agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Merger, except for covenants and agreements which contemplate performance after the Effective Time or otherwise expressly by their terms survive termination of this Agreement or the Effective Time.

Section 8.2 Expenses. Except as set forth in Section 7.3, whether or not the Merger is consummated, all costs and expenses incurred in connection with the Merger, this Agreement and the transactions contemplated hereby shall be paid by the party incurring or required to incur such expenses.

Section 8.3 Counterparts; Effectiveness. This Agreement may be executed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument, and shall become effective when one or more counterparts have been signed by each of the parties and delivered (by telecopy, electronic delivery or otherwise) to the other parties. Signatures to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf) form or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature.

Section 8.4 Governing Law. This Agreement, and all claims or causes of action (whether at Law, in contract or in tort or otherwise) that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance hereof, shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. Notwithstanding anything to the contrary herein, any action, claim, controversy or dispute of any kind or nature, whether at law or equity, in contract, in tort or otherwise, involving a Financing Source in connection with this Agreement, the Parent Debt Financing, the Company Debt Financing or the transactions contemplated hereby or thereby shall be governed by, and construed in accordance with, the law of the State of New York; provided, however, that (i) the interpretation of the definition of Company Material Adverse Effect and whether or not a Company Material Adverse Effect has occurred, (ii) the determination of the accuracy of any Merger Agreement Representations (as defined in the Parent Financing Commitment) and whether as a result of any inaccuracy thereof Parent, Merger Sub or their respective affiliates have the right to terminate its obligations under this Merger Agreement, or to decline to consummate the Acquisition pursuant to this Agreement and (iii) the determination of whether the Acquisition has been consummated in accordance with the terms of this Agreement, in each case, shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

Section 8.5 Jurisdiction; Specific Enforcement.

(a) The parties agree that irreparable damage would occur (for which monetary damages, even if available, would not be an adequate remedy) in the event that any of the provisions of this Agreement were not performed (including failing to take such actions as are required of it hereunder to consummate the transactions contemplated by this Agreement), or were threatened to be not performed, in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, in addition to any other remedy that may be available to it, including monetary damages, each of the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement (including, for the avoidance of doubt, the Company causing Parent to comply with its obligations pursuant to Section 5.17(c)) exclusively in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware) and all such rights and remedies at law or in equity shall be cumulative, except as may be limited by Section 7.3. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that any other party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity. The parties further agree that no party to this Agreement shall be required to obtain, secure, furnish or post any bond, security or similar instrument in connection with or as a condition to obtaining any remedy referred to in this Section 8.5 and each party waives any objection to the imposition of such relief or any right it may have to require the obtaining, securing, furnishing or posting of any such bond, security or similar instrument. In addition, each of the parties hereto irrevocably agrees that any legal action or proceeding with respect to this Agreement and the rights and obligations arising hereunder, or for recognition and enforcement of any judgment in respect of this Agreement and the rights and obligations arising hereunder brought by the other party hereto or its successors or assigns, shall be brought and determined exclusively in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware). Each of the parties hereto hereby irrevocably submits with regard to any such action or proceeding for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts and agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the aforesaid courts. Each of the parties hereto hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any action or proceeding with respect to this Agreement, (a) any claim that it is not personally subject to the

Table of Contents

jurisdiction of the above named courts, (b) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) to the fullest extent permitted by applicable Law, any claim that (i) the suit, action or proceeding in such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. Each of Parent, Merger Sub and the Company agrees that a final judgment in any action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. To the fullest extent permitted by applicable Law, each of the parties hereto hereby consents to the service of process in accordance with Section 8.7; provided, however, that nothing herein shall affect the right of any party to serve legal process in any other manner permitted by Law.

(b) Notwithstanding anything herein to the contrary, each of the parties hereto agrees that it will not bring or support any legal action or proceeding, whether in Law or in equity, whether in contract or in tort or otherwise against the Financing Sources and their respective current, former or future directors, officers, general or limited partners, stockholders, members, managers, controlling persons, Affiliates, employees or advisors in any way relating to this Agreement or any of the transactions contemplated by this Agreement, including any dispute arising out of or relating in any way to the Parent Debt Financing or the Company Debt Financing or the performance thereof, in any forum other than the Supreme Court of the State of New York, County of New York or, if under applicable law jurisdiction is vested in the federal courts, the United States District Court for the Southern District of New York (and appellate courts thereof).

Section 8.6 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING (WHETHER AT LAW, IN CONTRACT, IN TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (INCLUDING ANY ACTION, PROCEEDING OR COUNTERCLAIM AGAINST ANY FINANCING SOURCE).

Section 8.7 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given (a) upon personal delivery to the party to be notified; (b) when received when sent by email or facsimile by the party to be notified, provided, however, that notice given by email or facsimile shall not be effective unless either (i) a duplicate copy of such email or fax notice is promptly given by one of the other methods described in this Section 8.7 or (ii) the receiving party delivers a written confirmation of receipt for such notice either by email or fax or any other method described in this Section 8.7 or (c) when delivered by a courier (with confirmation of delivery); in each case to the party to be notified at the following address:

To Parent or Merger Sub:

Gaming and Leisure Properties, Inc.

825 Berkshire Blvd., Suite 400

Wyomissing, Pennsylvania 19610

Facsimile: (610) 401-2901

Email: bmoore@glpropinc.com

Attention: Brandon J. Moore

with copies to (which shall not constitute notice):

Wachtell, Lipton, Rosen & Katz

51 West 52nd Street

New York, New York 10019

Facsimile: (212) 403-2000

Email: DANeff@wlrk.com

GEOstling@wlrk.com

A-59

Attention: Daniel A. Neff

Gregory E. Ostling

To the Company:

Pinnacle Entertainment, Inc.

3980 Howard Hughes Parkway

Las Vegas, Nevada 89169

Facsimile: (702) 541-7773

Email: Jack.Godfrey@pnkmail.com

Attention: John A. Godfrey

with copies to (which shall not constitute notice):

Skadden, Arps, Slate, Meagher & Flom LLP

Four Times Square

New York, New York 10036

Facsimile: (212) 735-2000

Email: stephen.arcano@skadden.com

neil.stronski@skadden.com

Attention: Stephen F. Arcano

Neil P. Stronski

or to such other address as any party shall specify by written notice so given, and such notice shall be deemed to have been delivered as of the date so telecommunicated or personally delivered; provided that any notice received by facsimile transmission or electronic mail or otherwise at the addressee s location on any Business Day after 5:00 p.m. (addressee s local time) or on any day that is not a Business Day shall be deemed to have been received at 9:00 a.m. (addressee s local time) on the next Business Day. Any party to this Agreement may notify, in accordance with the procedures set forth in this Section 8.7, any other party of any changes to the address or any of the other details specified in this paragraph; provided, however, that such notification shall only be effective on the date specified in such notice or five (5) Business Days after the notice is properly given, whichever is later. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice as of the date of such rejection, refusal or inability to deliver.

Section 8.8 Assignment; Binding Effect. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned or delegated by any of the parties hereto without the prior written consent of the other parties; provided, however, that each of Merger Sub and Parent may assign any of their rights hereunder to a wholly owned direct or indirect Subsidiary of Parent without the prior written consent of the Company, but no such assignment shall relieve Parent or Merger Sub of any of its obligations hereunder. Subject to the first sentence of this Section 8.8, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Any purported assignment not permitted under this Section shall be null and void.

Section 8.9 Severability. Any term, covenant, restriction or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms, covenants, restrictions and provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, such provision shall be interpreted to be only so broad as is enforceable.

Section 8.10 Entire Agreement. This Agreement together with the exhibits hereto, schedules hereto and the Confidentiality Agreement constitute the entire agreement, and supersede all other prior agreements and understandings, both written and oral, between the parties, or among any of them, with respect to the subject matter hereof and thereof, and, subject to Section 8.13, this Agreement is not intended to grant standing to any person other than the parties hereto.

Section 8.11 Amendments; Waivers. At any time prior to the Effective Time, any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by a duly authorized representative of each of the Company, Parent and Merger Sub; provided, however, that after receipt of Company Stockholder Approval, if any such amendment or waiver shall by applicable Law or in accordance with the rules and regulations of the NYSE require further approval of the stockholders of the Company, the effectiveness of such amendment or waiver shall be subject to the approval of the stockholders of the Company. Notwithstanding the foregoing, no failure or delay by any party hereto in exercising any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise of any other right hereunder. Notwithstanding anything to the contrary contained herein, Section 8.4, Section 8.5(b), Section 8.6, this Section 8.11, and Section 8.13 may not be amended, supplemented, waived or otherwise modified in a manner materially adverse to the Financing Sources without the prior written consent of the Financing Sources.

Section 8.12 Headings. Headings of the Articles and Sections of this Agreement are for convenience of the parties only and shall be given no substantive or interpretive effect whatsoever. The table of contents to this Agreement is for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 8.13 No Third-Party Beneficiaries; Liability of Financing Sources. Each of Parent, Merger Sub and the Company agrees that (a) their respective representations, warranties, covenants and agreements set forth herein are solely for the benefit of the other party hereto, in accordance with and subject to the terms of this Agreement, and (b) except for the provisions of Section 5.8, this Agreement is not intended to, and does not, confer upon any person other than the parties hereto any rights or remedies hereunder, including the right to rely upon the representations and warranties set forth herein; provided that the Financing Sources shall be express third party beneficiaries of Section 8.4, Section 8.5(b), Section 8.6, Section 8.11 and this Section 8.13, and each of such Sections shall expressly inure to the benefit of the Financing Sources and the Financing Sources shall be entitled to rely on and enforce the provisions of such Sections. Notwithstanding anything to the contrary contained herein, the Company agrees that it shall not have any rights or claims against any Financing Source of Parent in connection with this Agreement, the Parent Financing or the transactions contemplated hereby or thereby and Parent agrees that it shall not have any rights or claims against any Financing Source of the Company in connection with this Agreement, the Company Financing or the transactions contemplated hereby or thereby; provided that following consummation of the Merger, the foregoing will not limit the rights of the parties to the Parent Financing Commitment.

Section 8.14 Interpretation. When a reference is made in this Agreement to an Article or Section, such reference shall be to an Article or Section of this Agreement unless otherwise indicated. Whenever the words include, includes or including are used in this Agreement, they shall be deemed to be followed by the words without limitation. The words hereof, herein and hereunder and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, unless the context otherwise requires. The phrases the date of this Agreement and the date hereof and terms or phrases of similar import shall be deemed to refer to July 20, 2015, unless the context requires otherwise. All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant thereto unless otherwise defined therein. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term. References in this Agreement to specific laws or to specific provisions of laws shall include all rules and regulations promulgated thereunder, and any statute defined or referred to herein or in any agreement or instrument referred to herein shall mean such statute as from time to time amended, modified or supplemented, including by succession of comparable

successor statutes (provided that for purposes of any representations and warranties contained in this Agreement that are made as of a specific date or dates, references to any statute shall be deemed to refer to such statute, as amended, and to any rules or regulations promulgated thereunder, in each case, as of such date). Each of the parties has participated in the drafting and negotiation of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement must be construed as if it is drafted by all the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Agreement. The inclusion of any item in the Company Disclosure Letter or Parent Disclosure Letter shall not be deemed to be an admission or evidence of materiality of such item, nor shall it establish any standard of materiality for any purpose whatsoever and the inclusion of an item relating to the OpCo Business, OpCo Assets or OpCo Liabilities does not, in and of itself, establish that such item relates to or affects PropCo or the Pinnacle Business.

Section 8.15 Definitions.

(a) General Definitions. References in this Agreement to control (including, with its correlative meanings, controlled by and under common control with) means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of a person, whether through the ownership of securities or partnership or other ownership interests, by contract or otherwise. References in this Agreement (except as specifically otherwise defined) to person means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity, group (as such term is used in Section 13 of the Exchange Act) or organization, including a Governmental Entity, and any permitted successors and assigns of such person. As used in this Agreement, knowledge means (i) with respect to Parent and its Subsidiaries, the actual knowledge of the individuals listed in Section 8.15(a) of the Parent Disclosure Letter and (ii) with respect to the Company and its Subsidiaries, the actual knowledge of the individuals listed on Section 8.15(a) of the Company Disclosure Letter. As used in this Agreement, Business Day means any day other than a Saturday, Sunday or other day on which the banks in New York are authorized by law or executive order to remain closed.

(b) Certain Specified Definitions. As used in this Agreement:

(i) Affiliate means, as to any person, any other person which, directly or indirectly, controls, or is controlled by, or is under common control with, such person. For the purpose of this definition, control (including with correlative meanings, controlled by and under common control with), when used with respect to any specified Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment, undertaking or otherwise.

(ii) Company Benefit Plan means each employee pension benefit plan (as defined in Section 3(2) of ERISA), each employee welfare benefit plan (as defined in Section 3(1) of ERISA) (in each case, whether or not such plan is subject to ERISA) and each other plan, policy, agreement or arrangement (whether written or oral) relating to stock options, stock purchases, stock awards, deferred compensation, bonus, severance, retention, employment, change of control, fringe benefits, supplemental benefits or other employee benefits, in each case, sponsored, maintained or contributed to, or required to be sponsored, maintained or contributed to, by the Company or its Subsidiaries, for the benefit of current or former employees, officers, directors or consultants of the Company or its Subsidiaries, or with respect to which the Company or any of its Subsidiaries has any liability.

(iii) Company Marketing Period means the first period of twenty (20) consecutive days throughout and at the end of which nothing shall have occurred and no condition shall exist that would cause any of the conditions set forth in Section 6.1, Section 6.2 or Section 6.3 (other than (i) the conditions set forth in Section 6.1(a) which must be satisfied no later than five (5) Business Days prior to the end of the Company Marketing Period and (ii) conditions that by their nature will not be satisfied until the Closing; provided that such conditions are reasonably capable of being satisfied at the Closing) to fail to be satisfied assuming the Closing were to be scheduled for any time during such twenty (20) consecutive-day period; provided that if the Company Marketing Period has not ended prior to December 19, 2015, it will be deemed not to have commenced until after January 3, 2016, and such period will not consider November 26, 2015. and November 27, 2015, as days (it being understood that any period including such dates shall not be deemed consecutive for purposes of the foregoing). Notwithstanding the foregoing, the Company Marketing Period shall end no later than the End Date (and, in any event, on any date when the amount of the Company Debt Financing to be funded on the Closing Date has been funded).

(iv) Company Material Adverse Effect means an event, state of facts, circumstance, change, effect, development, occurrence or combination of the foregoing that individually or in the aggregate (i) would reasonably be expected to prevent or materially impede, materially hinder or materially delay the consummation by the Company of the Merger or the other transactions contemplated hereby or (ii) has had, or would be expected to have, a material adverse effect on the business, financial condition or results of operations of PropCo, other than (with respect to each of clause (i) and (ii) above) any event, change, effect, development or occurrence to the extent resulting from or arising out of: (1) changes in general economic, financial or other capital market conditions (including prevailing interest rates), (2) any changes or developments generally in the industries in which PropCo or any of its Subsidiaries are expected to conduct their business from and after the Closing, (3) the announcement or the existence of, compliance with or performance under, this Agreement or the transactions contemplated hereby (provided, however, that the exceptions in this clause (3) shall not apply to any representation or warranty contained in Section 3.3(a), Section 3.3(c)(i) or Section 3.22 to the extent that the purpose of such representation or warranty is to address the consequences resulting from the execution and delivery of this Agreement or the performance of obligations or satisfaction of conditions under this Agreement), (4) any taking of any action at the request of Parent or Merger Sub, (5) changes in applicable Law, GAAP or accounting standards, (6) outbreak or escalation of hostilities or acts of war or terrorism, (7) any litigation in connection with this Agreement, the OpCo Spin-Off Agreements or the transactions contemplated thereby, (8) floods, hurricanes, tornados, earthquakes, fires or other natural disasters or (9) failure by the Company to meet any financial projections or forecasts or estimates of revenues, earnings or other financial metrics for any period (provided that the exception in this clause (9) shall not prevent or otherwise affect a determination that any event, change, effect, development or occurrence underlying such failure has resulted in, or contributed to, a Company Material Adverse Effect); except, in each case with respect to clauses (1), (2), (5), (6) and (8), to the extent disproportionately affecting PropCo and its Subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which PropCo and its Subsidiaries are expected to operate from and after the Closing.

(v) Company Takeover Proposal means (i) any inquiry, proposal or offer for or with respect to (or expression by any person that it is considering or may engage in) a merger, consolidation, business combination, recapitalization, binding share exchange, liquidation, dissolution, joint venture or other similar transaction involving the Company or any of its Subsidiaries whose assets, taken together, constitute 15% or more of the Company s consolidated assets, (ii) any inquiry, proposal or offer (including tender or exchange offers) to (or expression by any person that it is considering or may seek to) acquire in any manner, directly or indirectly, in one or more transactions, more than 15% of the outstanding Company Common Stock or securities of the Company representing more than 15% of the voting power of the Company or (iii) any inquiry, proposal or offer to (or expression by any person that it is considering or may seek to) acquire in any manner (including the acquisition of stock in any Subsidiary of the Company), directly or indirectly, in one or more transactions, assets or businesses of the Company or its Subsidiaries, including pursuant to a joint venture, representing more than 15% of the consolidated assets, revenues or net income of the Company, in each case, other than the Merger.

(vi) Compliant means, with respect to the Financing Information, (a) such Financing Information does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make such Financing Information not misleading; (b) the Company s auditors

have not withdrawn any audit opinion with respect to any financial statements contained in the Financing Information; and (c) the financial statements and other financial information included in such Financing Information are, and remain throughout the Parent Marketing Period, sufficient to permit the Financing Sources to receive customary comfort letters with respect to financial information contained in the Financing Information (including customary negative assurance comfort) from the independent accountants for the Company upon pricing and closing a securities offering during the Parent Marketing Period.

(vii) Contract means any contract, note, bond, mortgage, indenture, deed of trust, license, lease, agreement, arrangement, commitment or other instrument or obligation, whether oral or written.

(viii) Controlled Group Liability means any and all liabilities (i) under Title IV of ERISA, (ii) under Section 302 of ERISA or (iii) under Sections 412, 430 or 4971 of the Code.

(ix) Discharge means the redemption and (if applicable) satisfaction and discharge of the Company Notes in their entirety, pursuant to the terms thereof and the indentures such Company Notes are subject to.

(x) Employee Matters Agreement means the Employee Matters Agreement a form of which is attached hereto as Exhibit A.

(xi) Environmental Law means any Law in effect as of the date hereof relating to pollution or protection of the environment (including ambient air, soil, surface water or groundwater, or subsurface strata), natural resources, endangered or threatened species, human health or safety (as it relates to exposure to Hazardous Materials), including the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 121 et seq., the Safe Drinking Water Act, 42 U.S.C. § 300f et seq., the Oil Pollution Act of 1990 and analogous foreign, provincial, state and local Laws.

(xii) ERISA means the Employee Retirement Income Security Act of 1974, as amended.

(xiii) ERISA Affiliate means, with respect to any entity, trade or business, any other entity, trade or business that is, or was at the relevant time, a member of a group described in Section 414(b), (c), (m) or (o) of the Code or Section 4001(b)(1) of ERISA that includes or included the first entity, trade or business, or that is, or was at the relevant time, a member of the same controlled group as the first entity, trade or business pursuant to Section 4001(a)(14) of ERISA.

(xiv) Exchange Act means the Securities Exchange Act of 1934, as amended, and all regulations and rules issued thereunder, or any successor Law.

(xv) Excluded Company Real Property means Belterra Park (as defined in the Separation and Distribution Agreement) and those properties listed on Section 8.15(b)(xv) of the Company Disclosure Letter.

(xvi) Financing Agreement means any credit agreement, indenture, purchase agreement, note or similar agreement, in each case, evidencing or relating to Indebtedness to be incurred in connection with any of the Parent Financing or Company Financing, as applicable.

(xvii) Financing Information means (1) either (i)(A) audited consolidated balance sheets and related statements of income and cash flows of the Company (without giving effect to the Distribution, the Merger or the other transactions contemplated hereby) for the three most recently completed fiscal years ended at least ninety (90) days prior to the Closing Date, and (B) unaudited consolidated balance sheets and related statements of income and cash flows of the Company (without giving effect to the Distribution, the Merger or the other transactions contemplated hereby) for each subsequent fiscal quarter ended at least forty-five (45) days prior to the Closing Date (but excluding the fourth quarter of any fiscal year), or (ii) solely in the event (A) deemed necessary by the SEC in connection with the Joint Proxy Statement/Prospectus and Parent has provided the Company with prompt written notice of such SEC determination or (B) (x) reasonably requested by Parent or its Financing Sources in good faith and in a timely manner in connection with any Parent Financing or Parent Equity Financing and (y) required by applicable Law, the financial statements as of the dates specified in clauses (i)(A) and (i)(B) above for PropCo (the financials described in this clause (ii), the Carve-Out Financials) and (2) all information regarding the Company reasonably requested by Parent in good faith and in a timely manner and that is customarily required to assist in the preparation of a preliminary prospectus, preliminary offering memorandum or preliminary private placement memorandum for one or more offerings of debt and/or equity securities, which, in each case under this clause (2) contains information of the type and form required in a registered offering on Form S-1 or Form S-3 filed by Parent and/or its applicable Subsidiary and including financial statements, pro formas, business and other financial data of the type required in a registered offering on Form S-1 or Form S-3 (and in the case of a Rule 144A offering, excluding information required by Rule 3-09, Rule 3-10 and Rule 3-16 of Regulation S-X, Item 402 of Regulation S-K and other information not customarily provided in an offering memorandum for a Rule 144A offering).

(xviii) Financing Sources means (i) with respect to Parent, the financial institutions that have committed to provide or have otherwise entered into agreements in connection with any of the Parent Financing and any joinder agreements, indentures or credit agreements entered into pursuant thereto or relating thereto, together with their affiliates, officers, directors, employees, agents and representatives involved in any of the Parent Financing and their successors and assigns and (ii) with respect to the Company, the financial institutions that have committed to provide or have otherwise entered into agreements in connection with any of the Company Financing and any joinder agreements, indentures or credit agreements entered into pursuant thereto or relating thereto, together with their affiliates, officers, directors, employees, agents and representatives involved in any of the Company Financing and their successors and assigns.

(xix) Gaming Approvals means all licenses, permits, approvals, authorizations, registrations, findings of suitability, franchises, entitlements, waivers and exemptions issued by any Gaming Authority or under Gaming Laws necessary for or relating to conduct of gaming and related activities or the manufacture, distribution, service or sale of alcoholic beverages or the ownership or the operation, management and development of any gaming operations.

(xx) Gaming Authorities means any Governmental Entities with regulatory control and authority or jurisdiction over casino or other gaming activities and operations, or the manufacture, distribution, service or sale of alcoholic beverages, including the Colorado Limited Gaming Control Commission, the Colorado Division of Gaming, the Indiana Gaming Commission, the Iowa Racing and Gaming Commission, the Iowa Division of Gaming Enforcement, the Louisiana Gaming Control Board, the Mississippi Gaming Commission, the Missouri Gaming Commission, the Nevada State Gaming Control Board, the Nevada Gaming Commission, the Liquor Board of Elko County, Nevada, the Ohio Lottery Commission, the Ohio State Racing Commission, the Pennsylvania Gaming Control Board, the Texas Racing Commission, and the Texas Alcoholic Beverage Commission.

(xxi) Gaming Law means any foreign, federal, tribal, state, county or local statute, law, ordinance, rule, regulation, permit, consent, approval, finding of suitability, license, judgment, order, decree, injunction or other authorization governing or relating to gaming and related activities and operations or the manufacture, distribution, service or sale of alcoholic beverages, including the rules and regulations of the Gaming Authorities.

(xxii) Hazardous Materials means any substance, waste, liquid or gaseous or solid matter which is or is deemed to be hazardous, hazardous waste, solid or liquid waste, toxic, a pollutant, a deleterious substance, a contaminant or a source of pollution or contamination, in each case regulated by any Environmental Laws.

Table of Contents

(xxiii) Intellectual Property means any of the following, as they exist anywhere in the world, whether registered or unregistered: (i) patents, patentable inventions and other patent rights (including any divisions, continuations, continuations-in-part, reissues, reexaminations and interpretations thereof); (ii) trademarks, service marks, trade dress, trade names, taglines, brand names, logos and corporate names and all goodwill related thereto; (iii) copyrights, mask works and designs; (iv) trade secrets, know-how, inventions, processes, procedures, databases, confidential business information and other proprietary information and rights; (v) computer software programs, including all source code, object code, specifications, designs and documentation related thereto; and (vi) domain names and Internet addresses.

(xxiv) Intervening Event means any material event or development or material change in circumstances first occurring or arising after the date of this Agreement and prior to the Company Stockholder Approval if and only if such event, development or change in circumstances was neither known by the Company Board of Directors or those individuals listed on Section 8.15(a) of the Company Disclosure Letter nor reasonably foreseeable by such persons as of or prior to the date of this Agreement; provided that in no event shall the following events, developments or changes in circumstances constitute an Intervening Event: (A) the receipt, existence or terms of a Company Takeover Proposal (which matters shall be addressed by and subject to Section 5.3(c)), (B) changes in and of themselves in the market price or trading volume of the Company Common Stock or the Parent Common Stock or (C) the fact in and of itself that the Company or Parent meets or exceeds or fails to meet or exceed internal or published projections, forecasts or revenue or earnings predictions for any period; provided that the exceptions in clause (B) and (C) shall not exclude any event, development or change in circumstance underlying any such change in market price or trading volume, or meeting or exceeding, or failure to meet or exceed such projections, forecasts or predictions.

(xxv) Master Lease means the Master Lease a form of which is attached hereto as Exhibit B.

(xxvi) Multiemployer Plan means any multiemployer plan within the meaning of Section 4001(a)(3) of ERISA.

(xxvii) NASDAQ means the NASDAQ Global Select Market.

(xxviii) Net Company Share means, with respect to a Company Option, the quotient of (A) the product of (1) excess, if any, of the Per Share Cash Consideration over the per share exercise price of such Company Option, multiplied by (2) the number of shares of Company Common Stock underlying such Company Option, divided by (B) the Per Share Cash Consideration.

(xxix) Note Indentures means, (i) that certain Indenture, dated as of August 5, 2013, between Pinnacle Entertainment, Inc. and The Bank of New York Mellon Trust Company, N.A., (ii) that certain Indenture, dated as of April 14, 2011, among Pinnacle Entertainment, Inc., the guarantors party thereto and Wilmington Trust, National Association, (iii) that certain Indenture, dated as of May 6, 2010, among Pinnacle Entertainment, Inc., the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., (iv) Indenture, dated as of March 19, 2012, among Pinnacle Entertainment, Inc., the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., in each case, as amended or supplemented from time to time.

(xxx) OpCo Business shall have the meaning set forth in the Separation and Distribution Agreement.

(xxxi) OpCo Spin-Off Agreements shall mean the Separation and Distribution Agreement, Master Lease Agreement, the Tax Matters Agreement and the Employee Matters Agreement.

(xxxii) Order means any charge, order, writ, injunction, judgment, decree, ruling, determination, directive, award or settlement, whether civil, criminal or administrative and whether formal or informal.

(xxxiii) Parent Benefit Plan means each employee pension benefit plan (as defined in Section 3(2) of ERISA), each employee welfare benefit plan (as defined in Section 3(1) of ERISA) (in each case, whether or not such plan is subject to ERISA), and each other plan, policy, agreement or arrangement (whether written or oral) relating to stock options, stock purchases, stock awards, deferred compensation, bonus, severance, retention, employment, change of control, fringe benefits, supplemental benefits or other employee benefits, in each case, sponsored, maintained or contributed to, or required to be sponsored, maintained or contributed to, by the Parent or its Subsidiaries, for the benefit of current or former employees, officers, directors or consultants of the Parent or its Subsidiaries or with respect to which the Parent or any of its Subsidiaries has any liability.

(xxxiv) Parent Common Stock VWAP means the volume weighted average price of a share of Parent Common Stock for a ten (10) trading day period, starting with the opening of trading on the eleventh (11th) trading day prior to the Closing Date to the closing of trading on the second (2nd) to last trading day prior to the Closing Date, as reported by Bloomberg.

(xxxv) Parent Equity Financing means the issuance and sale by Parent of Parent Common Stock in an underwritten offering or a private placement, or the issuance and sale by GLP Capital, L.P., of equity interests convertible into Parent Common Stock and, in any event, excluding the issuance of equity interests upon the exercise of employee and director stock options, to the extent the net cash proceeds thereof reduce the amount of the Parent Financing Commitment or are intended to be used in lieu of the Required Parent Revolver Amount.

(xxxvi) Parent Marketing Period means the first period of twenty (20) consecutive days throughout and at the end of which: (a) Parent and its Financing Sources shall have had access to the Financing Information and such Financing Information shall have been Compliant throughout such period; provided that if the Company shall in good faith reasonably believe it has provided the Financing Information, it may deliver to Parent a written notice to that effect (stating when it believes it completed such delivery), in which case the Company shall be deemed to have provided the requested Financing Information as of the date of such notice unless Parent in good faith reasonably believes the Company has not completed the delivery of the Financing Information and, within three (3) Business Days after the delivery of such notice by the Company, delivers a written notice to the Company to that effect (stating with specificity which Financing Information Parent believes the Company has not delivered or is not Compliant at that time); and (b) nothing shall have occurred and no condition shall exist that would cause any of the conditions set forth in Section 6.1, Section 6.2 or Section 6.3 (other than (i) the conditions set forth in Section 6.1(a) which must be satisfied no later than five (5) Business Days prior to the end of the Parent Marketing Period and (ii) conditions that by their nature will not be satisfied until the Closing) to fail to be satisfied assuming the Closing were to be scheduled for any time during such twenty (20) consecutive-day period; provided that if the Parent Marketing Period has not ended prior to December 19, 2015, it will be deemed not to have commenced until after January 3, 2016 and such period will not consider November 26, 2015 and November 27, 2015 as days (it being understood that any period including such dates shall not be deemed consecutive for purposes of the foregoing). Notwithstanding the foregoing, the Parent Marketing Period shall end no later than the End Date (and in any event, on any date on which the amount of the Parent Debt Financing to be funded on the Closing Date has been funded).

(xxxvii) Parent Material Adverse Effect means an event, state of facts, circumstance, change, effect, development, occurrence or combination of the foregoing that individually or in the aggregate (i) would reasonably be expected to prevent or materially impede, materially hinder or materially delay the consummation by Parent of the Merger or the other transactions contemplated hereby or (ii) has had, or would be expected to have, a material adverse effect on the business, financial condition or results of operations of Parent and its Subsidiaries, taken as a whole, other than any event, change, effect, development or occurrence to the extent resulting from or arising out of: (1) changes in general economic, financial or other capital market conditions (including prevailing interest rates), (2) any changes or developments generally in the industries in which Parent or any of its Subsidiaries conducts its business, (3) the announcement or the existence of, compliance with or performance under, this Agreement or the transactions contemplated hereby (provided, however, that the exceptions in this

clause (3) shall not apply to any representation or warranty contained in Section 4.2(a) to the extent that the purpose of such representation or warranty is to address the consequences resulting from the execution and delivery of this Agreement or the performance of obligations or satisfaction of conditions under this Agreement), (4) any taking of any action at the request of the Company, (5) changes in applicable Law, GAAP or accounting standards, (6) outbreak or escalation of hostilities or acts of war or terrorism, (7) any litigation in connection with this Agreement, the OpCo Spin-Off Agreements or the transactions contemplated thereby, (8) floods, hurricanes, tornados, earthquakes, fires or other natural disasters or (9) failure by Parent to meet any financial projections or forecasts or estimates of revenues, earnings or other financial metrics for any period (provided that the exception in this clause (9) shall not prevent or otherwise affect a determination that any event, change, effect, development or occurrence underlying such failure has resulted in, or contributed to, a Parent Material Adverse Effect); except, in each case with respect to clauses (1), (2), (5), (6) and (8), to the extent disproportionately affecting Parent and its Subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which Parent and its Subsidiaries operate.

(xxxviii) Per Share Cash Consideration means the product of (A) the Exchange Ratio *multiplied by* (B) the Parent Common Stock VWAP.

(xxxix) Permitted Lien means (A) any Lien for Taxes not yet due or delinquent or which are being contested in good faith by appropriate proceedings, (B) vendors, mechanics, materialmens, carriers, workers, landlords, repairmens, warehousemens, construction and other similar Liens arising or incurred in the ordinary and usual course of business and consistent with past practice or with respect to liabilities that are not yet due and payable or, if due, are not delinquent or are being contested in good faith by appropriate proceedings, (C) Liens imposed or promulgated by applicable Law or any Governmental Entity with respect to real property, including zoning, building or similar restrictions, (D) pledges or deposits in connection with workers compensation, unemployment insurance, and other social security legislation, (E) Liens relating to intercompany borrowings among the Company and its wholly owned subsidiaries or any existing indebtedness of the Company or its Subsidiaries, or (F) other non-monetary Liens that do not, individually or in the aggregate, materially interfere with the present use, or materially detract from the value of, the property encumbered thereby.

(xl) PropCo means the Company and its Subsidiaries after giving effect to the Distribution.

(xli) Real Property means any lands, buildings, structures and other improvements, together with all fixtures attached or appurtenant to the foregoing, and all easements, covenants, hereditaments and appurtenances that benefit the foregoing.

(xlii) REIT means a real estate investment trust as defined in Sections 856 through 860 of the Code.

(xliii) Requisite Gaming Approvals means such Gaming Approvals from the Colorado Limited Gaming Control Commission, the Indiana Gaming Commission, the Iowa Racing and Gaming Commission, the Mississippi Gaming Commission, the Missouri Gaming Commission, the Louisiana Gaming Control Board and the Nevada Gaming Commission as are necessary in order to allow OpCo and its Subsidiaries and Parent and its Subsidiaries, upon the consummation of the Distribution and the Merger, to continue their operation of their Subsidiaries respective gaming activities (which shall not be considered to include any permits, approvals or licenses relating to the service of food or beverages or any other non-gaming activities, regardless of whether any such activities are conducted within the same physical space as gaming activities or in conjunction with such gaming activities) and to enter into and perform their obligations under the OpCo Spin-Off Agreements.

(xliv) Separation and Distribution Agreement means the Separation and Distribution Agreement a form of which is attached hereto as Exhibit C.

A-68

(xlv) Subsidiary means, with respect to any person, any corporation, partnership, association, trust or other form of legal entity of which (i) fifty percent (50%) or more of the voting power of the outstanding voting securities are directly or indirectly owned by such person or (ii) such person or any Subsidiary of such person is a general partner.

(xlvi) Superior Proposal means a bona fide, unsolicited written Company Takeover Proposal (A) that if consummated would result in a third party (or in the case of a direct merger between such third party and the Company, the shareholders of such third party) acquiring, directly or indirectly, more than 50.1% of the outstanding Company Common Stock or more than 50.1% of the assets or revenues of the Company and its Subsidiaries, taken as a whole (B) that the Company Board of Directors determines in good faith, after consultation with its outside financial advisor and outside legal counsel, is reasonably capable of being completed, taking into account all financial, legal, regulatory, timing and other aspects of such proposal, including all conditions contained therein and the person making such Company Takeover Proposal and (C) that the Company Board of Directors determines in good faith after consultation with its outside financial advisor and outside legal counsel (taking into account any changes to this Agreement proposed by Parent in response to such Company Takeover Proposal, and all financial, legal, regulatory, timing and other aspects of such Company Takeover Proposal, including all conditions contained therein and the person making such proposal, and this Agreement), is more favorable to the stockholders of the Company from a financial point of view than the transaction contemplated by this Agreement.

(xlvii) Tax or Taxes means any and all federal, state, local or foreign taxes, imposts, levies, duties, fees or other assessments, including all net income, gross receipts, capital, sales, use, ad valorem, value added, transfer, escheat, franchise, profits, inventory, capital stock, license, withholding, payroll, employment, social security, unemployment, excise, severance, stamp, occupation, property and estimated taxes, customs duties and other taxes of any kind whatsoever, including any and all interest, penalties, additions to tax or additional amounts imposed by any Governmental Entity in connection with respect thereto.

(xlviii) Tax Matters Agreement means the Tax Matters Agreement a copy of which is attached hereto as Exhibit D.

(xlix) Tax Return means any return, report or similar filing (including any attached schedules, supplements and additional or supporting material) filed or required to be filed with respect to Taxes, including any information return, claim for refund, or declaration of estimated Taxes (and including any amendments with respect thereto).

(l) Taxing Authority means, with respect to any Tax, the Governmental Entity that imposes such Tax, and the agency (if any) charged with the collection of such Tax for such Governmental Entity.

(li) Vessels means those casino gaming vessels owned and operated by a Subsidiary of the Company in East Chicago, Indiana, Florence, Indiana, Baton Rouge, Louisiana, Bossier City, Louisiana, Harvey, Louisiana, Lake Charles, Louisiana, Kansas City, Missouri, St. Charles, Missouri, St. Louis, Missouri and Council Bluffs, Iowa, as set forth on Section 8.15(b)(li) of the Company Disclosure Letter.

(lii) Willful and Material Breach means a material breach that is a consequence of an act undertaken or failure to act by the breaching party with the knowledge that the taking of or failure to take such act would cause a material breach of this Agreement.

(c) Each of the following terms is defined in the Section set forth opposite such term:

6.375% Notes	Section 5.14(b)
7.75% Notes	Section 5.14(b)
8.75% Notes	Section 5.14(b)
Acceptable Confidentiality Agreement	Section 5.3(c)
Acquisition Vehicle	Section 5.18
Action	Section 5.8(b)
Adverse Recommendation Change	Section 5.3(e)
Affiliate	Section 8.15(b)(i)
Agreement	Preamble
Approvals	Section 5.5(a)
Asset Sales	Section 5.18
Base Amount	Section 7.3(c)
Book-Entry Shares	Section 2.1(a)(iii)
Business Day	Section 8.15(a)
Cancelled Shares	Section 2.1(a)(ii)
Certificate	Section 2.1(a)(iii)
Certificate of Merger	Section 1.4
Closing	Section 1.3
Closing Date	Section 1.3
Code	Recitals
Company	Preamble
Company Alternate Financing	Section 5.17(k)
Company Approvals	Section 3.3(b)
Company Benefit Plan	Section 8.15(b)(ii)
Company Board of Directors	Recitals
Company Common Stock	Section 3.2(a)
Company Credit Agreement	Section 5.14(a)
Company Credit Agreement Payoff	Section 5.14(a)
Company Debt Financing	Section 3.24(a)
Company Disclosure Letter	Preamble to Article III
Company Expense Reimbursement	Section 7.3(c)
Company Financial Statements	Section 3.4(b)
Company Financing	Section 5.17(j)
Company Financing Commitment	Section 3.24(a)
Company Insurance Policy	Section 3.16
Company Leased Real Property	Section 3.15(a)
Company Lenders	Section 3.24(a)
Company Long Term Incentive Awards	Section 2.5(f)(i)
Company Marketing Period	Section 8.15(b)(iii)
Company Material Adverse Effect	Section 8.15(b)(iv)
Company Material Contract	Section 3.18(a)(xii)
Company Notes	Section 5.14(b)
Company Option	Section 2.5(b)
Company Organizational Documents	Section 3.1(c)

Table of Contents

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

PINNACLE ENTERTAINMENT, INC.

By: /s/ Carlos A. Ruisanchez
Name: Carlos A. Ruisanchez
Title: President and Chief Financial Officer

GAMING AND LEISURE PROPERTIES, INC.

By: /s/ Peter M. Carlino
Name: Peter M. Carlino
Title: Chairman and Chief Executive Officer

GOLD MERGER SUB, LLC

By: /s/ Brandon J. Moore
Name: Brandon J. Moore
Title: Vice President and Secretary

[Signature Page to Agreement and Plan of Merger]

Table of Contents

EXHIBIT A

EMPLOYEE MATTERS AGREEMENT

BY AND BETWEEN [OPCO] AND

PINNACLE ENTERTAINMENT, INC.

Dated [   ]

EMPLOYEE MATTERS AGREEMENT

This EMPLOYEE MATTERS AGREEMENT (this Agreement), dated as of [ ] is by and between [OpCo], a Delaware corporation (OpCo), and Pinnacle Entertainment, Inc., a Delaware corporation (Pinnacle and together with OpCo, the Parties and each a Party).

WHEREAS, the board of directors of Pinnacle has determined that it is in the best interests of Pinnacle and its shareholders to create a new publicly-traded company which shall operate the OpCo Business;

WHEREAS, in furtherance thereof Pinnacle and OpCo have entered into that certain Separation and Distribution Agreement, dated as of [ ] (the Separation Agreement);

WHEREAS, Pinnacle has entered into an Agreement and Plan of Merger (the Merger Agreement), dated as of July 20, 2015, with Gaming and Leisure Properties, Inc., a Pennsylvania corporation (GLPI), and Gold Merger Sub, LLC, a Delaware limited liability company and wholly owned Subsidiary of GLPI (Merger Sub);

WHEREAS, the Merger Agreement provides for, among other things, the merger of Pinnacle with and into Merger Sub, with Merger Sub surviving such merger as a wholly owned Subsidiary of GLPI; and

WHEREAS, as contemplated by the Separation Agreement, Pinnacle and OpCo desire to enter into this Agreement to provide for the allocation of assets, Liabilities (as defined below), and responsibilities with respect to certain matters relating to employees, individual independent contractors and Directors (as defined below) (including employee compensation and benefit plans and programs) between them.

NOW, THEREFORE, the Parties, intending to be legally bound, agree as follows:

ARTICLE I

DEFINITIONS

Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Separation Agreement. For purposes of this Agreement, the following terms shall have the following meanings:

1.1 2005 Plan means the Pinnacle 2005 Equity and Performance Incentive Plan.

1.2 2015 Plan means the Pinnacle 2015 Equity and Performance Incentive Plan.

1.3 Adjusted Pinnacle Awards means the Adjusted Pinnacle Options, the Adjusted Pinnacle RSUs and the Adjusted Pinnacle PUAs.

1.4 Adjusted Pinnacle Option has the meaning set forth in Section 5.2(a)(i).

1.5