

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K**

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): May 26, 2020 (May 24, 2020)

Churchill Downs Incorporated

(Exact name of registrant as specified in its charter)

Kentucky (State or other jurisdiction of incorporation or organization)	001-33998 (Commission File Number)	61-0156015 (I.R.S. Employer Identification No.)
600 North Hurstbourne Parkway, Suite 400		40222
Louisville , Kentucky (Address of Principal Executive Offices)		(Zip Code)

(502)-636-4400

Registrant's telephone number, including area code

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, No Par Value	CHDN	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry Into a Material Definitive Agreement.

Churchill Downs Incorporated (“CDI”) and Aristocrat Leisure Limited (“Aristocrat”) announced on May 24, 2020 that they have entered into an agreement in principle to settle the Kater v. Churchill Downs, Inc., and Thimmegowda v. Big Fish Games, Inc. lawsuits (the “Kater and Thimmegowda Litigations”). CDI completed its sale of Big Fish Games, Inc. to Aristocrat in January 2018. The agreement in principle remains contingent on final court approval by the U.S. Federal District Court for the Western District of Washington (the “District Court”).

Under the terms of the settlement, which will take effect only after final court approval of the proposed class settlement:

- A total of USD\$155 million will be paid into a settlement fund. CDI will pay USD\$124 million of the settlement from its available cash. Aristocrat will pay USD\$31 million of the settlement.
- All members of the nationwide settlement class who do not exclude themselves will release all claims relating to the subject matter of the lawsuits.
- Aristocrat has agreed to specifically release CDI of any and all indemnification obligations under the Stock Purchase Agreement dated November 29, 2017, between CDI, Aristocrat, and Big Fish Games, Inc. arising from or related to the Kater and Thimmegowda Litigations, including any claims of diminution of value of Big Fish Games, Inc. and any claims by any person who opts out of the Proposed Class Settlement.
- The parties have agreed to provide notice to the District Court that the parties have reached a settlement in principle and to request that the cases be stayed pending execution and filing of a formal settlement agreement.

A copy of the press release announcing the proposed class settlement is attached as Exhibit 99.1 to this Current Report on Form 8-K. The information in Exhibit 99.1 attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following is being furnished as an exhibit to the Current Report on Form 8-K.

Exhibit Number	Description
99.1	Press Release dated May 24, 2020 issued by Churchill Downs Incorporated
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto, duly authorized.

May 26, 2020

CHURCHILL DOWNS INCORPORATED

/s/ Bradley K. Blackwell

By: Bradley K. Blackwell

Title: Senior Vice President, General Counsel and Secretary

CHURCHILL DOWNS

I N C O R P O R A T E D

FOR IMMEDIATE RELEASE

Contact: Nick Zangari

(502) 394-1157

Nick.Zangari@kyderby.com

Churchill Downs Incorporated and Aristocrat Leisure Limited Announce Agreement in Principle to Settle Lawsuits related to Big Fish Games, Inc.

LOUISVILLE, Ky. (May 24, 2020) - Churchill Downs Incorporated (“CDI”) (Nasdaq: CHDN) and Aristocrat Leisure Limited (ASX: ALL) (“Aristocrat”) today announced that they have entered into an agreement in principle to settle the Kater v. Churchill Downs, Inc., and Thimmegowda v. Big Fish Games, Inc. lawsuits (the “Kater and Thimmegowda Litigations”). CDI completed its sale of Big Fish Games, Inc. to Aristocrat in January 2018. The agreement in principle remains contingent on final court approval by the U.S. Federal District Court for the Western District of Washington (the “District Court”).

Under the terms of the settlement, which will take effect only after final court approval of the proposed class settlement:

- A total of USD\$155 million will be paid into a settlement fund. CDI will pay USD\$124 million of the settlement from its available cash. Aristocrat will pay USD\$31 million of the settlement.
- All members of the nationwide settlement class who do not exclude themselves will release all claims relating to the subject matter of the lawsuits.
- Aristocrat has agreed to specifically release CDI of any and all indemnification obligations under the Stock Purchase Agreement dated November 29, 2017, between CDI, Aristocrat, and Big Fish Games, Inc. arising from or related to the Kater and Thimmegowda Litigations, including any claims of diminution of value of Big Fish Games, Inc. and any claims by any person who opts out of the proposed class settlement.
- The parties have agreed to provide notice to the District Court that the parties have reached a settlement in principle and to request that the cases be stayed pending execution and filing of a formal settlement agreement.

About Churchill Downs Incorporated

Churchill Downs Incorporated (the "Company", "we", "us", "our") is an industry-leading racing, online wagering and gaming entertainment company anchored by our iconic flagship event - *The Kentucky Derby*. We own and operate Derby City Gaming, a historical racing machine facility in Louisville, Kentucky. We also own and operate the largest online horse racing wagering platform in the U.S., TwinSpires.com, and we operate sports betting and iGaming through our BetAmerica platform in multiple states. We are also a leader in brick-and-mortar casino gaming with approximately 11,000 slot machines and video lottery terminals and 200 table games in

eight states. Additional information about CDI can be found online at www.churchilldownsincorporated.com.

Information set forth in this news release contains various “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Act”), which provides certain “safe harbor” provisions. All forward-looking statements made in this news release are made pursuant to the Act. Forward-looking statements are typically identified by the use of terms such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “predict,” “project,” “seek,” “should,” “will,” and similar words, although some forward-looking statements are expressed differently.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Important factors that could cause actual results to differ materially from expectations include the following: the impact of the novel coronavirus (COVID-19) pandemic and related economic matters on our results of operations, financial conditions and prospects; the effect of economic conditions on our consumers' confidence and discretionary spending or our access to credit; additional or increased taxes and fees; public perceptions or lack of confidence in the integrity of our business or any deterioration in our reputation; loss of key or highly skilled personnel; restrictions in our debt facilities limiting our flexibility to operate our business; general risks related to real estate ownership, including fluctuations in market values and environmental regulations; catastrophic events and system failures disrupting our operations; online security risk, including cyber-security breaches; inability to recover under our insurance policies for damages sustained at our properties in the event of inclement weather and casualty events; increases in insurance costs and inability to obtain similar insurance coverage in the future; inability to identify and complete acquisition, expansion or divestiture projects, on time, on budget or as planned; difficulty in integrating recent or future acquisitions into our operations; costs and uncertainties relating to the development of new venues and expansion of existing facilities; risks associated with equity investments, strategic alliances and other third-party agreements; inability to respond to rapid technological changes in a timely manner; inadvertent infringement of the intellectual property of others; inability to protect our own intellectual property rights; payment-related risks, such as risk associated with fraudulent credit card and debit card use; compliance with the Foreign Corrupt Practices Act or applicable money-laundering regulations; risks related to pending or future legal proceedings and other actions; inability to negotiate agreements with industry constituents, including horsemen and other racetracks; work stoppages and labor issues; changes in consumer preferences, attendance, wagering and sponsorship with respect to Churchill Downs Racetrack and the Kentucky Derby; personal injury litigation related to injuries occurring at our racetracks; weather and other conditions affecting our ability to conduct live racing; the occurrence of extraordinary events, such as terrorist attacks and public health threats; changes in the regulatory environment of our racing operations; increased competition in the horse racing business; difficulty in attracting a sufficient number of horses and trainers for full field horse races; our inability to utilize and provide totalizator services; changes in regulatory environment of our online horse wagering business; number of people wagering on live horse races; increase in competition in our online horse racing wagering business; uncertainty and changes in the legal landscape relating to our online horse racing wagering business; continued legalization of online sports betting and iGaming in the United States and our ability to predict and capitalize on any such legalization; inability to expand our sports betting operations and effectively compete; failure to manage risks associated with sports betting; failure to comply with laws requiring us to block access to certain individuals could result in penalties or impairment with respect to our mobile and online wagering products; increased competition in our casino business; changes in regulatory environment of our casino business; concentration and evolution of slot machine manufacturing and other technology conditions that could impose additional costs; and inability to collect gaming receivables from the customers to whom we extend credit