

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM S-8**

**REGISTRATION STATEMENT  
UNDER THE SECURITIES ACT OF 1933**

**CHURCHILL DOWNS INCORPORATED**

(Exact name of Registrant as specified in its charter)

**Kentucky**

**61-0156015**

(State or other jurisdiction  
of incorporation or organization)

(I.R.S. Employer Identification Number)

**700 Central Avenue, Louisville, Kentucky 40208**

(Address of principal executive offices)

(Zip Code)

**Churchill Downs Incorporated 2000 Employee Stock Purchase Plan**

(Full title of plan)

Thomas H. Meeker  
President and Chief Executive Officer  
Churchill Downs Incorporated  
700 Central Avenue  
Louisville, Kentucky 40208  
(502) 636-4400

(Name, address and telephone number, including area code, of agent for service)

Copy to:  
Robert A. Heath, Esq.  
Wyatt, Tarrant & Combs, LLP  
500 W. Jefferson Street, Suite 2800  
Louisville, Kentucky 40202  
(502) 589-5235

**CALCULATION OF REGISTRATION FEE**

Title of Securities to be registered	Amount to be registered	Proposed Maximum offering price per share (1)	Proposed maximum aggregate offering price (1)	Amount of registration fee (1)
Common Stock, no par value and associated Preferred Share Purchase Rights(2)	100,000 shares(3)	\$39.56	\$3,956,000	\$501.23

(1) Estimated solely for the purpose of computing the registration fee pursuant to Rule 457. The maximum offering price per share is based on the average of the high and low sale price of the Common Stock as reported by the Nasdaq National Market on June 16, 2004, pursuant to Rule 457(h)(1).

(2) The Preferred Share Purchase Rights, prior to the occurrence of certain events, are not evidenced separately from the Common Stock.

(3) The Registrant also registers hereby such indeterminate number of additional shares as may be required to cover antidilutive adjustments under the Churchill Downs Incorporated 2000 Employee Stock Purchase Plan.

Exhibit Index on Page 5.

Churchill Downs Incorporated (the "Company") filed a registration statement on Form S-8 on July 13, 2000 (Reg. No. 333-41376) (the "Previous Registration Statement"), relating to the registration of shares of common stock, no par value ("Common Stock"), of the Company in connection with the Churchill Downs Incorporated 2000 Employee Stock Purchase Plan.

Pursuant to General Instruction E of Form S-8, this Registration Statement on Form S-8 (the "Registration Statement") registers an additional 100,000 shares of the Company's Common Stock which may be acquired pursuant to the Churchill Downs Incorporated 2000 Employee Stock Purchase Plan.

The contents of the Previous Registration Statement are hereby incorporated by reference pursuant to General Instruction E of Form S-8.

## PART II.

### INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

#### Item 8. Exhibits.

The Exhibits listed on the Exhibit Index appearing on page 5 of this Registration Statement are hereby incorporated by reference.

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### SIGNATURES

The Registrant. Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Louisville, State of Kentucky, on the 17th day of June, 2004.

CHURCHILL DOWNS INCORPORATED

By:/s/ Thomas H. Meeker

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Thomas H. Meeker  
President and Chief Executive Officer

### POWERS OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Thomas H. Meeker and Rebecca C. Reed, and each of them, as his or her true and lawful attorney-in-fact and agent, with full power of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments and post-effective amendments to this Registration Statement, and to file the same with all exhibits thereto, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons on the 17th day of June, 2004 in the capacities indicated.

/s/Carl F. Pollard

Chairman of the Board (Director)

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Carl F. Pollard

/s/Thomas H. Meeker

President and Chief Executive Officer (Director and Principal Executive Officer)

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Thomas H. Meeker

/s/Michael E. Miller

Chief Financial Officer (Principal Financial and Accounting Officer)

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Michael E. Miller

/s/Charles W. Bidwill, Jr.

Director

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Charles W. Bidwill, Jr.

/s/Leonard S. Coleman, Jr.

Director

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Leonard S. Coleman, Jr.

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/s/Craig J. Duchossois

Director

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Craig J. Duchossois

/s/Richard L. Duchossois

Director

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Richard L. Duchossois

/s/Robert L. Fealy

Director

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Robert L. Fealy

/s/J. David Grissom

Director

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J. David Grissom

/s/Seth W. Hancock

Director

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Seth W. Hancock

/s/Daniel P. Harrington

Director

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Daniel P. Harrington

/s/G. Watts Humphrey, Jr.

Director

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G. Watts Humphrey, Jr.

/s/Susan Elizabeth Packard

Director

Susan Elizabeth Packard

\_\_\_\_\_  
Dennis D. Swanson

Director

/s/Darrell R. Wells

Director

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Darrell R. Wells

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INDEX TO EXHIBITS

<u>Exhibit Number</u>	<u>Description of Exhibit</u>	<u>Page</u>
4(a)	Articles of Incorporation of the Registrant as amended through July 18, 2003 (incorporated herein by reference to Exhibit 3(b) to the Registrant's Report on Form 10-Q for the fiscal quarter ended June 30, 2003 (Commission File No. 0-1469)).	
4(b)	Amended and Restated Bylaws of the Registrant (incorporated herein by reference to Exhibit 3(b) to the Registrant's Report on Form 10-K for the fiscal year ended December 31, 2003, as amended on Form 10-K/A filed May 11, 2004 (Commission File No. 0-1469)).	
4(c)	Specimen Stock Certificate (incorporated herein by reference to Exhibit 4(d) to the Registrant's Registration Statement on Form S-8, File No. 33-85012).	
4(d)	Rights Agreement dated as of March 19, 1998, between the Registrant and Fifth Third Bank as Rights Agent (incorporated herein by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed on March 20, 1998, Exhibit 4.1 to the Registrant's Registration Statement on Form 8-A/A filed June 30, 2000 and Exhibit 4.1 to the Registrant's Registration Statement on Form 8-A/A filed September 14, 2000 (Commission File No. 0-1469)).	
5	Opinion and Consent of Wyatt, Tarrant & Combs, LLP as to the legality of the shares being registered.	6
23(a)	Consent of Wyatt, Tarrant & Combs, LLP (contained in Exhibit 5).	
23(b)	Consent of PricewaterhouseCoopers LLP.	8
24	Power of Attorney (precedes signatures).	
99	First Amended and Restated Churchill Downs Incorporated 2000 Employee Stock Purchase Plan.	9

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[Wyatt, Tarrant &amp; Combs, LLP letterhead]

June 17, 2004

Board of Directors  
 Churchill Downs Incorporated  
 700 Central Avenue  
 Louisville, KY 40208

Ladies and Gentlemen:

We have acted as counsel to Churchill Downs Incorporated, a Kentucky corporation (the "Company"), in connection with the Registration Statement on Form S-8 (the "Registration Statement") being filed by the Company with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Act"), to register 100,000 shares (the "Shares") of the Company's common stock, no par value, issuable under the Churchill Downs Incorporated 2000 Employee Stock Purchase Plan (the "Plan").

We have examined and are familiar with the Company, its organization and proceedings related thereto. We have also examined such other documents and procedures as we have considered necessary for the purpose of this opinion.

We have assumed, for purposes of this opinion, that the Shares will be validly authorized on the respective dates of issuance of the Shares under the Plan, and that, on the dates of issuance of the Shares under the Plan, the obligations of the Company under the Plan will constitute the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms.

Based upon the foregoing and subject to the qualifications hereinafter set forth, we are of the opinion that the Shares are duly authorized and, when issued and sold in accordance with the Registration Statement, the prospectus delivered to participants in the Plan pursuant to the requirements of the Act, the pertinent provisions of any applicable state securities laws and the Plan, will be duly and validly issued, fully paid and nonassessable.

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We express no opinion with respect to Shares issuable under the Plan which are purchased by the Company on the open market or in private transactions and are not original issuance shares.

We are members of the Bar of the Commonwealth of Kentucky and, accordingly, do not purport to be experts on or express any opinion herein concerning any law other than the laws of the Commonwealth of Kentucky, and the federal law of the United States.

Our opinion is directed to the Board of Directors of the Company and may not be relied upon by any persons other than said directors, recipients of the prospectus and participants in the Plan. We expressly disclaim any responsibility for advising you of any change hereafter occurring in circumstances touching or concerning the transaction which is the subject of this opinion, including any changes in the law or in factual matters occurring subsequent to the date of this opinion.

We hereby consent to the filing of this opinion, or copies thereof, as an Exhibit to the Registration Statement. In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Securities and Exchange Commission thereunder.

Sincerely,

/s/WYATT, TARRANT &amp; COMBS, LLP

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 WYATT, TARRANT & COMBS, LLP

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**CONSENT OF INDEPENDENT ACCOUNTANTS**

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated March 3, 2004 (except for the matters disclosed in the first two paragraphs of Note 1, as to which the date is May 10, 2004) relating to the financial statements and financial statement schedule of Churchill Downs Incorporated, which appears in Churchill Downs Incorporated's Annual Report on Form 10-K/A for the year ended December 31, 2003.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP  
Louisville, Kentucky  
June 17, 2004

**FIRST AMENDED AND RESTATED  
CHURCHILL DOWNS INCORPORATED  
2000 EMPLOYEE STOCK PURCHASE PLAN**

1. *Purpose.* The purpose of the Plan is to provide eligible employees of the Company, and of any Parent or Subsidiary corporation which the Company's Board of Directors has designated as a Participating Employer in the Plan, an opportunity to acquire a proprietary interest in the Company through the purchase of the Company's common stock on a payroll or other compensation deduction basis. It is believed that participation in the ownership of the Company will be to the mutual benefit of the eligible employees and the Company. The Company intends for the Plan to qualify as an "employee stock purchase plan" under Code Section 423, and the Plan shall be so construed. Any term not expressly defined in the Plan but defined in the Code for purposes of Code Section 423 shall have the same definition herein.

2. *Definitions.*

A. "*Account*" means the funds accumulated with respect to an individual Participant as a result of deductions from the Participant's pay for the purpose of purchasing Stock under the Plan. The funds allocated to a Participant's Account shall remain the Participant's property at all times.

B. "*Base Pay*" means regular straight time earnings, excluding payments for overtime, bonuses, incentive compensation and other special payments.

C. "*Business Day*" means a day when any national securities exchange is open if the Stock is then listed on such exchange, or, if not listed, the day when the over-the-counter market is open.

D. "*Board*" means the Company's Board of Directors.

E. "*Code*" means the Internal Revenue Code of 1986, as amended.

F. "*Committee*" means the Compensation Committee of the Board.

G. "*Company*" means Churchill Downs Incorporated, a Kentucky corporation, 700 Central Avenue, Louisville, Kentucky 40208.

H. "*Eligible Employee*" means any person, including any officer or director, who satisfies the following three requirements: [i] who has been employed by a Participating Employer for at least one (1) year; [ii] whose customary weekly employment with the Participating Employer is at least twenty-one (21) hours; and [iii] whose customary calendar year employment exceeds five (5) months. The term "Eligible Employee" does not include any person who is not an employee, including more-than-2% partners in a partnership, more-than-2% shareholders in a Subchapter S corporation, sole proprietors, independent contractors, non-employee directors and other individuals who are not employees.

I. "*Exchange Act*" means the Securities Exchange Act of 1934.

J. "*Fair Market Value*" means, as of the Business Day preceding the measurement date: [i] if the Stock is traded on the over-the-counter market, the closing high bid quotation for the Stock in the over-the-counter market, as reported by the National Association of Securities Dealers Automated Quotation System; [ii] if the Stock is listed on a national securities exchange, the closing sales price of the Stock on the Composite Tape; and [iii] if the Stock is neither traded on the over-the-counter market nor listed on a national securities exchange, such value as the Committee shall in good faith determine.

K. "*Parent*" means, as defined in Code Section 424(e), any corporation, other than the Company, in an unbroken chain of corporations ending with the Company, if at the time of the granting of an option under the Plan, each of the corporations other than the Company own stock possessing 50% or

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more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

L. "*Participant*" means an Eligible Employee who elects to participate in the Plan.

M. "*Participating Employer*" means the Company and any Parent or Subsidiary which the Board has authorized to participate in the Plan as to its Eligible Employees.

N. "*Plan*" means the Churchill Downs Incorporated 2000 Employee Stock Purchase Plan, as set forth herein and as amended from time to time.

O. "*Plan Year*" means the twelve (12) consecutive month period beginning each August 1.

P. "*Stock*" means the Company's no par value common stock.

Q. "*Subsidiary*" means, as defined in Code Section 424(f), any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if, at the time of the granting of an option under the Plan, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock of one of the other corporations in such chain.

3. *Administration.* The Plan shall be administered by Committee. Any vacancy occurring in the membership of the Committee shall be filled by appointment by the Board. The Committee shall have full power and authority to construe, interpret, and administer the Plan and may from time to time adopt such rules and regulations for carrying out the Plan as it may deem proper and in the best interests of the Company.

4. *Effective Date and Duration of the Plan.* The effective date of the Plan is August 1, 2000, subject to ratification of the Plan, within twelve (12) months before or after the date the Plan is adopted by the Board, by the holders of a majority of all the shares of Stock which are voted in person or by proxy at a duly held stockholders' meeting. The Plan shall terminate upon issuance of all shares authorized to be issued under the Plan unless terminated sooner by the Committee pursuant to Section 13.

5. *Eligibility and Participation.* All Eligible Employees of a Participating Employer may participate in the Plan, subject to the limitations set forth in Section 7. Participation is voluntary. To become a Participant, an Eligible Employee must complete an authorization form for a payroll deduction available from the Committee and deliver it to the Committee on or before the last Business Day of July of each year. Payroll deductions shall commence on the Participant's first pay date of August following delivery of the completed payroll deduction authorization form to the Committee, and shall continue each Plan Year until altered or terminated as provided in Sections 6, 8 and 9.

6. *Payroll Deductions.*

A. *Percentage of Compensation.* Each Eligible Employee electing to participate in the Plan shall indicate on the payroll deduction form the percentage of the Eligible Employee's Base Pay to be withheld. Such percentage shall not be greater than five percent (5%) nor less than one-half percent (.5%). Payroll deductions are made on an after-tax basis each payroll period during the Plan Year.

B. *Accounts.* Payroll deductions from a Participant shall be credited to the Participant's Account. Amounts shall remain in a Participant's Account until used to purchase shares pursuant to Section 8 hereof or paid out pursuant to Sections 8 or 9. A Participant may not make separate cash payments into the Account. No interest or earnings on the Account will be credited to any Participant. Compensation deductions received or held by the Committee under the Plan shall be used only for the purposes specified in the Plan.

C. *Changes to Payroll Deduction Authorization.* Participants may change their payroll deduction authorization as of the beginning of each Plan Year and may also make one (1) mid-Plan Year change to

the percentage of payroll deductions authorized by delivery of a new payroll deduction authorization form to the Committee. The change shall become effective as soon as administratively practicable and shall continue each Plan Year until again altered pursuant to this section or terminated pursuant to Sections 6, 8 or 9.

7. *Grant of Options.*

A. *Number of Shares Optioned.* On the first Business Day in each Plan Year, each individual who is a Participant on such day shall be granted an option to purchase as many full shares of Stock as the Participant can purchase with the compensation deductions credited to the Participant's Account during the Plan Year, less any required employment or other tax required to be withheld as a result of the exercise of the option, up to a maximum of five hundred (500) shares.

B. *Limitation on Amount of Grant.* Notwithstanding the foregoing, no Participant shall be granted an option to the extent that the option would permit the Participant's rights to purchase stock under the Plan and all employee stock purchase plans of the Company and its Parent and Subsidiaries (if any) to accrue at a rate which exceeds \$25,000 of the fair market value of such stock (determined at the time the option is granted) for each calendar year in which the option is outstanding at any time. This section shall be applied by use of all rules and definitions of terms which are applicable for purposes of Code Section 423(b)(8), it being the intent that this section shall cause the Plan to comply with the requirements of such section of the Code.

C. *5% Shareholders.* Anything herein to the contrary notwithstanding, no Participant shall be granted an option if the Participant would own, immediately after the grant of the option, stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or of any Parent or Subsidiary. The rules of Code Section 424(d) shall apply in determining stock ownership and stock which the Participant may purchase under outstanding options shall be treated as stock owned by the Participant.

D. *Option Price.* The option price per share shall be 85% of the lower of the Fair Market Value per share of the Stock on the first or last Business Day in the Plan Year (rounded up to the next whole dime).

8. *Exercise of Options.*

A. *Date of Exercise.* Unless a Participant gives written notice to the Committee as provided in Section 8.B, the Participant's option for the Plan Year is deemed exercised automatically at the close of the last Business Day of the Plan Year for as many full shares of Stock as can be purchased with funds in the Participant's Account on that date.

B. *Participant Notice to Change Amount of Exercise.* By delivering a written notice to the Committee at least two (2) Business Days before the end of the Plan Year, a Participant may decide not to exercise the Participant's option for the Plan Year or to exercise the option for some lesser number of shares. If more than one written notice is delivered by a Participant, the last notice shall control.

C. *Disposition of Account.* Funds in a Participant's Account (less any required withholding tax) will be used to pay the option price upon exercise of the Participant's option, and the Company shall deliver to each Participant certificates representing any Stock purchased as soon as administratively practicable after the end of the Plan Year. Any amount in a Participant's Account at the end of the Plan Year will be paid to Participant (without interest) as soon as administratively practicable after the end of the Plan Year.

D. *Exercises Causing Loss of Compensation Deduction.* No part of an option may be exercised to the extent the exercise would cause the Participant to have compensation from the Company and its affiliated companies for any year in excess of \$1 million and that is nondeductible by the Company and its affiliated companies pursuant to Code Section 162(m).



E. *Lapse of Options.* All unexercised options shall lapse on the earlier of: [i] the end of the Plan Year; [ii] termination of participation; or [iii] termination of the Plan.

9. *Termination of Participation.*

A. *Termination by Participant.* A Participant may at any time terminate participation by giving written notice of such termination to the Committee and electing to either:

[1] leave any funds in the Participant's Account in which event the Participant's option will be deemed exercised at the end of the Plan Year pursuant to Section 8.A and any amounts remaining after such exercise will be paid to the Participant (without interest); or

[2] receive any funds in the Participant's Account.

Participants who change their payroll deduction authorization to zero pursuant to Section 6.C shall be deemed to have terminated participation in the Plan and will be deemed to have elected a disposition of the Participant's Account in accordance with Section 9.A[1] unless the Participant notifies the Committee in writing at least two (2) Business Days before the end of the Plan Year that the Participant elects to receive the funds in the Participant's Account.

Upon termination of participation, all further payroll deductions from such Participant shall cease and all amounts in the Participant's Account which are not used to purchase Stock shall be paid to the Participant (without interest) as soon as administratively practicable.

B. *Change in Employee Status.* If, on or before the last Business Day of the Plan Year, a Participant ceases to be an Eligible Employee for any reason, including death, disability, resignation, retirement or dismissal, the Participant's participation in the Plan shall cease and any outstanding options shall lapse in full on the day the Participant's status as an Eligible Employee ceases. Upon lapse, all further payroll deductions shall cease, and all amounts credited to the Participant's Account and not used to purchase Stock shall be paid to the Participant (without interest) as soon as administratively practicable following such lapse.

C. *Leaves of Absence.* The employment relationship of a Participant with a Participating Employer will be treated as continuing intact while the Participant is on military, sick leave or other bona fide leave of absence for a period not to exceed ninety (90) days, or for a longer period, provided that the Participant's right to reemployment with the Participating Employer is guaranteed either by statute or by contract. Where the period of leave exceeds ninety (90) days and where the Participant's right to reemployment is not guaranteed either by statute or contract, the employment relationship will be deemed to have terminated on the 91st day of such leave.

D. *Limitation on Withdrawals From Account.* A Participant may not withdraw any amount in the Participant's Account except pursuant to Sections 8.C, 9.A or 9.B.

E. *Reinstatement of Participation.* A Participant whose participation in the Plan terminates may not elect to participate in the Plan again until the next Plan Year. In addition, no Participant who is an officer or director of the Company or a Participating Employer (as contemplated by Rule 16b-3 of the Exchange Act, or any successor rule or regulation) may participate in the Plan again for at least six (6) months after termination of participation.

10. *Stock Reserved for Plan.*

A. *Number and Type of Shares.* A total of One Hundred Sixty-eight Thousand, Five Hundred Eighty-One (168,581) shares of authorized but unissued shares of Stock are reserved for issuance under the Plan, subject to adjustment upon changes in capitalization of the Company as provided in Section 10.C. If any option shall lapse or terminate for any reason as to any shares, such shares of Stock shall again become available under the Plan.

B. *Proration of Available Shares.* Notwithstanding anything herein to the contrary, if the total number of shares which would otherwise have been acquired under the Plan on any date exceeds the number of shares of Stock then available under the Plan, then the Committee may make such pro rata allocation of the shares remaining available in such practicable manner as it shall determine to be fair and equitable. The payroll deductions to be made pursuant to the Participant authorizations shall be reduced accordingly and the Committee shall give written notice of such reduction to each affected Participant. Any payroll deductions in a Participant's Account not used to purchase Stock shall be paid (without interest) to such Participant.

C. *Adjustment Provision.* If there is any change in the number of outstanding shares of Stock by reason of any stock dividend, stock split-up or similar transaction, the number of shares of Stock then remaining available for issuance and the number of shares subject to any outstanding options shall be correspondingly changed, without change in the aggregate option price. Additionally, equitable adjustments shall be made in options to reflect any other changes in the Stock, including changes resulting from a combination of outstanding shares or other recapitalization, reorganization, sale, merger, consolidation or similar transaction. The establishment of the Plan shall not affect the Company's right to make adjustments, reclassifications, reorganizations or changes in its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or otherwise transfer all or any part of its business or assets.

D. *Delivery of Shares.* A Participant shall have no interest in, or rights of a shareholder to, any shares of Stock covered by an option until shares have been issued to the Participant. Stock to be delivered to a Participant pursuant to the exercise of an option shall be issued in the name of the Participant, or, if the

Participant so directs by written notice delivered to the Committee, in the names of the Participant and one other person designated in the notice, as joint tenants with rights of survivorship, to the extent permitted by applicable law.

E. *Restrictive Legends.*

[1] *Failure to Satisfy Holding Period Requirements.* Certificates representing shares of Stock issued pursuant to the Plan shall bear a restrictive legend stating that the shares represented thereby may not be transferred before the expiration of two (2) years from the date of grant of the option and one (1) year from the date of transfer of the Stock to the Participant, unless the Participant notifies the Company of the Participant's intention to dispose of the Stock. Upon receipt of such notice by the Committee, the Participant is free to dispose of the Stock.

[2] *Insiders.* Certificates representing shares of Stock issued pursuant to the Plan to any director or officer of the Company or a Participating Employer within the meaning of Section 16 of the Exchange Act shall bear a restrictive legend stating that the shares represented thereby may not be transferred before the expiration of six (6) months from the date of the issuance of shares of Stock to the Participant.

[3] *Other Legends.* The Company shall be entitled to place any other legends on certificates for shares of Stock issued hereunder which it deems appropriate to effectuate the terms of the Plan or to comply with any applicable law.

11. *Transferability.* Neither compensation deductions credited to a Participant's Account nor any rights with regard to participation in the Plan, exercise of any option or the right to receive shares of Stock under the Plan may be assigned, transferred, pledged, or otherwise disposed of in any way by a Participant other than by will or the laws of descent and distribution. Any such attempted assignment, transfer, pledge, or other disposition shall be without effect. An option granted under the Plan is exercisable during the Participant's lifetime only by the Participant.

12. *Designation of Beneficiaries.* A Participant may deliver to the Committee a written designation (on a prescribed form) of a beneficiary or beneficiaries who are to receive any Stock and cash payable to the Participant but not delivered to the Participant because of the Participant's death before such delivery.

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Such designation may be changed or revoked by delivery of written notice to the Committee. Upon the death of a Participant and upon receipt by the Committee of proof deemed adequate by it of the identity and existence of a beneficiary or beneficiaries validly designated by such Participant, the Company shall issue and deliver such Stock and pay such cash to such beneficiary or beneficiaries. In the absence of the Company's receipt of such proof, or if the Participant fails to designate any beneficiary who is living at the time of the Participant's death, the Company shall issue and deliver such Stock and pay such cash to the executor or administrator of the estate of such Participant, or if no such executor or administrator has been appointed (to the knowledge of the Committee), the Company, if and as the Committee may direct in its discretion, shall issue and deliver such Stock and pay such cash to the spouse and/or any one or more dependents or relatives of such Participant, or if no such spouse, dependent or relative is known to the Committee, then to such other person or persons as the Committee may designate in its discretion.

13. *Amendment and Termination.* The Plan may be amended or terminated by the Committee at any time. Any amendment of the Plan requires approval by the Company's stockholders within twelve (12) months after such amendment's adoption by the Committee if it increases the total number of shares of Stock available for issuance under the Plan, or changes the class of corporations eligible to become Participating Employers or the class of persons eligible to receive options under the Plan, or if the Committee otherwise deems such approval necessary or advisable for purposes of complying with Rule 16b-3 of the Exchange Act, or any successor rule or regulation, or other applicable law. Such stockholder approval shall mean approval by holders of a majority of all the shares of the Stock which are voted in person or by proxy at a duly held stockholders' meeting. No amendment may be adopted which would adversely affect any rights acquired by any person hereunder before the effective date of the amendment, unless the amendment is necessary for the Company to obtain a ruling it may request from the Internal Revenue Service with respect to the Plan, or necessary for the plan to conform to the requirements of Code Section 423 or any other applicable law.

14. *Notices.* Any notice or other communication by any person to the Committee shall be deemed to have been duly given when actually received by a member of the Committee, or when actually received by the Company addressed as follows:

Churchill Downs Incorporated  
700 Central Avenue  
Louisville, Kentucky 40208  
Attention: Board of Directors, Compensation Committee

Any notice or other communication or any delivery of Stock or cash to any person (other than the Committee) under or in connection with the Plan shall be deemed to have been duly given or made when deposited in the United States mails, postage prepaid, addressed to such person at the address last shown for such person in the records of the Committee or any Participating Employer.

15. *Tax Withholding.* The Participating Employer shall have the right to withhold from each Participant's compensation an amount equal to all federal, state and local taxes which the Participating Employer is required by law to withhold as a result of the Participant's participation in the Plan or disposition of shares of Stock issued under the Plan to the extent such taxes are not deducted from the Participant's Account.

16. *Nonguarantee of Employment.* No provision of the Plan shall be construed as giving any person any right he would not otherwise have to become or remain an employee of a Participating Employer, or any other right not expressly created by such provision.

17. *Governing Law.* The Plan shall be governed by the laws of the Commonwealth of Kentucky and any applicable federal laws.

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