



Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers; Compensatory Arrangements of Certain Officers.

(e) Compensatory Arrangements of Certain Officers.

On April 7, 2008, the Compensation Committee of the Board of Directors of Churchill Downs Incorporated (the "Company") entered into a Transition and Separation Agreement (the "Agreement") with C. Kenneth Dunn. The Agreement generally provides that upon Mr. Dunn's termination of employment, which is expected to occur prior to August 1, 2008, subject to the effectiveness of a release of claims against the Company, Mr. Dunn would be entitled to the following: a completion bonus of \$310,000, severance payment of \$125,117, Company-paid COBRA continuation until February 28, 2010, payment of \$8,000 in lieu of outplacement assistance, accelerated vesting with respect to 5,480 shares of restricted stock, and a pro rata payment of the Incentive Compensation Plan bonus in the amount of \$58,388. The Agreement also provides for two-year non-competition and non-solicitation provisions.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

- 10.1 Transition and Separation Agreement between Churchill Downs Incorporated and C. Kenneth Dunn.
- 99.1 Press Release issued by Churchill Downs Incorporated, dated April 9, 2008.

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.

CHURCHILL DOWNS INCORPORATED

April 9, 2008

/s/ Robert L. Evans  
Robert L. Evans  
President & Chief Executive Officer

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Exhibit Index

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