



**Item 1.01. Entry into a Material Definitive Agreement.**

On Marcy 4, 2007, Churchill Downs Incorporated (the “Company”) entered into a series of customer-focused agreements with Magna Entertainment Corp. (“MEC”) to enhance wagering integrity and security, to own and operate the television network known as HRTV, to buy and sell horse racing content, and to promote the availability of horse racing signals to customers worldwide. Additionally, the Company is launching its own advance deposit wagering platform, [www.twinspires.com](http://www.twinspires.com).

Effective March 4, 2007, the Company and MEC have entered into a reciprocal content swap agreement to exchange their respective horse racing signals with each other. Through the agreement, the Company’s racing content will be available for wagering through MEC-owned tracks and simulcast-wagering facilities and through MEC’s advance deposit wagering (“ADW”) platform, XpressBet. Similarly, MEC racing content will be available for wagering through the Company tracks and off-track betting (“OTB”) facilities and through a Company-owned ADW platform, [www.twinspires.com](http://www.twinspires.com), that is under development and will launch later this year.

The Company and MEC have also formed a venture called TrackNet Media Group, LLC through which their respective horse racing content will be available to third parties, including racetracks, OTBs, casinos and ADW companies. TrackNet Media Group, LLC will also purchase horse racing content from third parties to make available through the Company and MEC’s respective outlets. In addition, the Company has purchased a 50-percent interest in a venture which will own and operate the horse racing TV channel currently owned by MEC, HRTV.

The Company is currently developing its own ADW platform, [www.twinspires.com](http://www.twinspires.com), which will launch later this year. The site will offer racing fans the opportunity to wager on the Company- and MEC-owned racing content as well as other racing content made available through TrackNet Media Group, LLC’s licensing agreements.

Copies of the Limited Liability Company Operating Agreements are attached hereto as Exhibits 10.1 and 10.2 and are incorporated herein by reference.

**Item 8.01. Other Events.**

On March 5, 2007, the Company issued a press release, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 8.01.

**Item 9.01. Financial Statements and Exhibits.**

- (d) Exhibits
- 10.1 March 4, 2007 Limited Liability Company Operating Agreement of HRTV, LLC between Churchill Downs Incorporated, CD HRTV HC, LLC, Magna Entertainment Corp. and MEC HRTV HOLDCO, LLC
- 10.2 March 4, 2007 Limited Liability Company Operating Agreement of Tracknet Media Group, LLC between Churchill Downs Incorporated, CD CONTENTCO HC, LLC, Magna Entertainment Corp. and MEC CONTENT HOLDCO, LLC
- 99.1 Press Release issued by Churchill Downs Incorporated, dated March 5, 2007

**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 thereunto, duly authorized.

**CHURCHILL DOWNS INCORPORATED**

March 6, 2007

/s/ Michael W. Anderson  
By: Michael W. Anderson  
Title: Principal Financial Officer