

CHURCHILL DOWNS INC
Form S-4/A
January 29, 2010
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As filed with the Securities and Exchange Commission on January 29, 2010

Registration No. 333-164008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1
to
Form S-4
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

Churchill Downs Incorporated

(Exact name of registrant as specified in its charter)

Kentucky
*(State or other jurisdiction of
incorporation or organization)*

7948
*(Primary Standard Industrial
Classification Code Number)*

61-0156015
*(I.R.S. Employer
Identification Number)*

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700 Central Avenue, Louisville, Kentucky 40208

(502) 636-4400

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Robert L. Evans

President and Chief Executive Officer

Churchill Downs Incorporated

700 Central Avenue

Louisville, Kentucky 40208

(502) 636-4400

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

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Approximate date of commencement of proposed sale of the securities to the public: As soon as reasonably practicable after the effectiveness of this Registration Statement and the completion of the merger described in the enclosed proxy statement/prospectus.

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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, 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, 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 <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>

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 this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information contained in this proxy statement/prospectus is not complete and may be changed. Churchill Downs Incorporated may not sell these securities until the registration statement relating to these securities filed with the Securities and Exchange Commission, of which this document is a part, is declared effective. This proxy statement/prospectus shall not constitute an offer to sell or the solicitation of any 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 prior to registration or qualification under the securities laws of any such jurisdiction. Any representation to the contrary is a criminal offense.

PRELIMINARY SUBJECT TO COMPLETION DATED January 29, 2010

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

To the Stockholders of Youbet.com, Inc.:

Youbet.com, Inc. (Youbet) and Churchill Downs Incorporated (CDI) have entered into a merger agreement for CDI to acquire Youbet. In the proposed transaction, a wholly owned subsidiary of CDI will merge with and into Youbet, with Youbet continuing after the merger as the surviving corporation. Following completion of the merger, the surviving corporation will merge with and into Tomahawk Merger LLC, a wholly owned subsidiary of CDI, with Tomahawk Merger LLC surviving the subsequent merger.

Pursuant to the proposed merger, Youbet stockholders will be entitled to receive a combination of 0.0598 of a share of CDI common stock and \$0.97 in cash, subject to adjustment to ensure that the merger does not require CDI to issue more than 19.6% of the outstanding CDI common stock outstanding as of immediately prior to the effective time of the merger.

The amount of cash and the value and amount of the CDI common stock into which each share of Youbet common stock will be converted will not be known at the time of the special meeting, because the merger will not be consummated until after the special meeting. Beginning at 9:00 a.m. on [], 2010, MacKenzie Partners, Inc., Youbet's proxy solicitor, will make current merger consideration information available at the following toll-free number: (888) 407-8968.

Youbet common stock is traded on the NASDAQ Capital Market under the trading symbol UBET and CDI common stock is traded on the NASDAQ Global Select Market under the trading symbol CHDN. On [], 2010, Youbet common stock closed at \$[] per share and CDI common stock closed at \$[] per share. More detailed information about Youbet, CDI, the proposed merger and the special meeting is contained in this proxy statement/prospectus. **We encourage you to read this proxy statement/prospectus carefully and in its entirety before voting, including the section entitled Risk Factors beginning on page 27 of this proxy statement/prospectus.**

We are asking you to vote to adopt the merger agreement at the special meeting. The Youbet board of directors has unanimously determined that the merger and the merger agreement are advisable and fair to, and in the best interests of, Youbet and its stockholders, has unanimously approved the merger agreement and unanimously recommends that Youbet stockholders vote FOR the proposal to adopt the merger agreement.

The date, time and place of the special meeting of stockholders is as follows:

[]

Your vote is very important. The merger cannot be completed unless Youbet stockholders adopt the merger agreement at a special meeting of Youbet stockholders. Whether or not you plan to attend the special meeting, please take the time to vote by completing and mailing to us the enclosed proxy card or grant your proxy by telephone or through the Internet. You may also cast your vote in person at the special meeting. If your shares are held in street name, you must instruct your broker, bank or other nominee in order to vote. Failing to vote at the Youbet special meeting, in person or by proxy, will have the effect of a vote against the proposal to adopt the merger agreement.

Sincerely,

David Goldberg
President & Chief Executive Officer

Youbet.com, Inc.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THIS TRANSACTION OR THE SECURITIES OF CDI TO BE ISSUED PURSUANT TO THE MERGER, OR DETERMINED IF THIS PROXY STATEMENT/PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This proxy statement/prospectus is dated [], 2010 and is first being mailed to stockholders of Youbet on or about [], 2010.

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YOUBET.COM, INC.

2600 West Olive Avenue, 5th floor

Burbank, CA 91505

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON [], 2010

Dear Stockholders of Youbet.com, Inc.:

You are cordially invited to a special meeting of stockholders of Youbet.com, Inc. (Youbet) on [], 2010, promptly at [] []m. local time at [], located at []. Only stockholders who hold shares of Youbet common stock at the close of business on [], 2010, the record date for the special meeting, are entitled to vote at the special meeting and any adjournments or postponements of the special meeting.

At the special meeting, you will be asked to consider and vote upon and approve the following proposals:

1. The adoption of the Agreement and Plan of Merger, dated as of November 11, 2009, among Youbet, Churchill Downs Incorporated (CDI), Tomahawk Merger Corp., a wholly owned subsidiary of CDI (Merger Sub), and Tomahawk Merger LLC, a wholly owned subsidiary of CDI (Merger LLC), pursuant to which Merger Sub will merge with and into Youbet and the surviving corporation will merge with and into Merger LLC, with Merger LLC surviving the subsequent merger, which we refer to as the proposal to adopt the merger agreement.
2. The adjournment of the Youbet special meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of the proposal to adopt the merger agreement, which we refer to as the Youbet special meeting adjournment proposal.
3. The transaction of such other business as may properly come before the special meeting or any adjournment or postponement thereof.

No other business will be conducted at the special meeting. The proposals are described more fully in this proxy statement/prospectus. Please give your careful attention to all of the information in this proxy statement/prospectus.

The proposal to adopt the merger agreement requires the affirmative vote of at least a majority of the outstanding shares of Youbet common stock.

Under Delaware law, holders of record of Youbet common stock who do not vote in favor of the proposal to adopt the merger agreement have the right to seek appraisal of the fair value of their shares of Youbet common stock if the merger is completed. To exercise your appraisal rights, you must strictly follow the procedures prescribed by Delaware law, including, among other things, submitting a written demand for appraisal to Youbet before the vote is taken on the proposal to adopt the merger agreement, and you must not vote in favor of the proposal to adopt the merger agreement. These procedures are summarized in the accompanying proxy statement/prospectus in the section titled The Merger Youbet Stockholder Appraisal Rights beginning on page 95 (the text of the applicable provisions of Delaware law is included as Annex C to the accompanying proxy statement/prospectus).

The Youbet board of directors has unanimously determined that the merger and the merger agreement are advisable and fair to, and in the best interests of, Youbet and its stockholders, has unanimously approved the merger and the merger agreement and unanimously recommends that the stockholders of Youbet vote FOR the proposal to adopt the merger agreement and FOR the Youbet special meeting adjournment proposal, if necessary.

This proxy statement/prospectus contains detailed information about Youbet, CDI, the proposed merger and the special meeting of Youbet stockholders. We urge you to read this proxy statement/prospectus carefully and in its entirety. In particular, see the section entitled Risk Factors beginning on page 27 of this proxy statement/prospectus for a discussion of the risks related to the merger and owning CDI common stock. For specific instructions on how to vote your shares, please refer to the section entitled The Special Meeting of Youbet Stockholders beginning on page 53 of this proxy statement/prospectus.

Whether or not you plan to attend the special meeting, please vote as soon as possible so that your shares are represented at the meeting. If you do not vote, it will have the same effect as a vote against the proposal to adopt the merger agreement. Only stockholders of record at the close of business on [], 2010 are entitled to notice of and to vote at the special meeting and any adjournments or postponements thereof. To vote your shares, please complete and return the enclosed proxy card to us or grant your proxy by telephone or through the Internet. You may also cast your vote in person at the special meeting.

By Order of the Board of Directors,

David Goldberg
President & Chief Executive Officer

Youbet.com, Inc.

Burbank, California

[], 2010

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ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about Churchill Downs Incorporated, which we refer to as CDI, and Youbet.com, Inc., which we refer to as Youbet, from documents that are not included in or delivered with this proxy statement/prospectus. For a more detailed description of the information incorporated by reference into this proxy statement/prospectus and how you may obtain it, see [Additional Information](#) [Where You Can Find More Information](#) beginning on page 153 of this proxy statement/prospectus.

You can obtain any of the documents incorporated by reference into this proxy statement/prospectus without charge from CDI or Youbet, as applicable, or from the Securities and Exchange Commission, which we refer to as the SEC, through the SEC's website at www.sec.gov. CDI shareholders and Youbet stockholders may request a copy of such documents in writing or by telephone by contacting:

Churchill Downs Incorporated
700 Central Avenue
Louisville, Kentucky 40208
Attn: Investor Relations
(502) 636-4492

Youbet.com, Inc.
5901 De Soto Avenue
Woodland Hills, California 91367
Attn: Investor Relations
(818) 668-2384

In addition, you may obtain copies of some of this information by accessing CDI's website at www.churchilldowns.com under the heading [About CDI](#), under the link [Investors](#), and then under the link [SEC Filings](#).

You may also obtain copies of some of this information by accessing Youbet's website at www.youbet.com under the heading [About Us](#), under the link [Investor Relations](#), and then under the link [SEC Filings](#).

We are not incorporating the contents of the websites of the SEC, CDI, Youbet or any other entity into this proxy statement/prospectus. We are providing the information about how you can obtain certain documents that are incorporated by reference into this proxy statement/prospectus at these websites only for your convenience.

In order for you to receive timely delivery of the documents in advance of the Youbet special meeting, Youbet or CDI, as applicable, must receive your request no later than [], 2010.

ABOUT THIS PROXY STATEMENT/PROSPECTUS

This proxy statement/prospectus, which forms a part of a registration statement on Form S-4 filed with the Securities and Exchange Commission by CDI, constitutes a prospectus of CDI under Section 5 of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the shares of CDI common stock to be issued to Youbet stockholders in connection with the merger. This document also constitutes a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, and a notice of meeting with respect to the meeting of Youbet stockholders to consider and vote upon, among other matters, the proposal to adopt the merger agreement.

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**QUESTIONS AND ANSWERS REGARDING
THE SPECIAL MEETING OF YUBET STOCKHOLDERS**

Q: When and where is the Youbet special meeting?

A: The special meeting of Youbet stockholders will take place on [], 2010, promptly at [] [] .m. local time at [], located at []. Check-in will begin at [] [] .m. Please allow ample time for the check-in procedures.

Q: Can I attend and vote at the Youbet special meeting?

A: You are entitled to attend the special meeting only if you were a Youbet stockholder as of the close of business on [], 2010, which we refer to as the record date for the Youbet special meeting, or you hold a valid proxy for the special meeting. You should be prepared to present valid government-issued photo identification for admittance. In addition, if you are a record holder, your name will be verified against the list of record holders on the record date prior to being admitted to the special meeting. If you are not a record holder but hold shares through a broker, bank or other nominee (i.e., in street name), you should provide proof of beneficial ownership on the record date, such as your most recent account statement prior to [], 20[], or other similar evidence of ownership. If you do not provide valid government-issued photo identification or comply with the other procedures outlined above upon request, you may not be admitted to the special meeting.

Q: What am I being asked to vote upon?

A: The Youbet special meeting is being called to consider and vote upon and approve the following proposals:

1. The adoption of the Agreement and Plan of Merger, dated as of November 11, 2009, among Youbet, CDI, Merger Sub, a wholly owned subsidiary of CDI, and Merger LLC, a wholly owned subsidiary of CDI, which we refer to as the merger agreement, pursuant to which Merger Sub will merge with and into Youbet, which we refer to as the merger, and the surviving corporation will merge with and into Merger LLC, which we refer to as the subsequent merger, with Merger LLC surviving the subsequent merger, which we refer to as the proposal to adopt the merger agreement.
2. The adjournment of the Youbet special meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of the proposal to adopt the merger agreement, which we refer to as the Youbet special meeting adjournment proposal.
3. The transaction of such other business as may properly come before the special meeting or any adjournment or postponement thereof.

Q: How does the Youbet board of directors recommend that I vote?

A: After careful consideration, the Youbet board of directors unanimously recommends that Youbet stockholders vote **FOR** the proposal to adopt the merger agreement and **FOR** the Youbet special meeting adjournment proposal, if necessary. The Youbet board of directors has

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unanimously determined that the merger and the merger agreement are advisable and fair to, and in the best interests of, Youbet and its stockholders, has unanimously approved the merger agreement and unanimously recommends that Youbet stockholders vote **FOR** the proposal to adopt the merger agreement.

For a description of the reasons underlying the recommendation of the Youbet board of directors, see the section entitled **The Merger Recommendation of the Youbet Board of Directors and Its Reasons for the Merger** beginning on page 76 of this proxy statement/prospectus.

Q: What do I need to do now?

A: If you are a Youbet stockholder, after you carefully read this proxy statement/prospectus, you are encouraged to mail your signed proxy card in the enclosed return envelope, or submit your proxy by telephone or on the Internet in accordance with the instructions on the proxy card. In order to assure that your vote is recorded,

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please vote your proxy as soon as possible even if you currently plan to attend the special meeting in person. If you own your shares in street name through a broker, bank or other nominee, you must instruct your broker, bank or other nominee how to vote your shares using the enclosed voting instruction card. Internet and telephone voting is available in accordance with the instructions on the voting instruction card.

Q: How can I vote?

A: Registered stockholders of Youbet as of the record date may vote in person at the special meeting or by one of the following methods:

complete, sign and date the enclosed proxy card and return it in the prepaid envelope provided;

call the toll-free telephone number on the proxy card and follow the recorded instructions; or

visit an Internet website established for that purpose listed on your proxy card and follow the instructions.

Stockholders who hold shares of Youbet common stock in street name may vote by following the instructions provided by their broker, bank or other nominee, including by one of the following methods:

complete, sign, date and return your voting instruction card in the enclosed pre-addressed envelope;

other methods listed on your voting instruction card or other information forwarded by your bank, broker or other nominee regarding whether you may vote by telephone or electronically on the Internet; or

in person at the special meeting with a legal proxy from your bank, broker or other nominee. Please consult the voting instruction card sent to you by your bank, broker or other nominee to determine how to obtain a legal proxy in order to vote in person at the special meeting.

For a more detailed explanation of the voting procedures, please see the section entitled The Special Meeting of Youbet Stockholders How You Can Vote beginning on page 54 of this proxy statement/prospectus.

Q: Why is my vote important?

A: If you do not return your proxy card or submit your proxy by telephone or through the Internet or vote in person at the special meeting, your failure to vote will have the same effect as a vote against the proposal to adopt the merger agreement but will not similarly affect the Youbet special meeting adjournment proposal.

Q: How do I instruct my broker, bank or other nominee to vote in connection with the proposal to adopt the merger agreement?

A: If your shares are held by a broker, bank or other nominee, you must follow the instructions on the form you receive from your broker, bank or other nominee in order for your shares to be voted. Please follow their instructions carefully. Also, please note that if the holder of record of your shares is a broker, bank or other nominee and you wish to vote at the special meeting, you must request a legal proxy from

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the bank, broker or other nominee that holds your shares and present that proxy and proof of identification at the special meeting to vote your shares. Based on the instructions provided by the broker, bank or other nominee, street name stockholders may generally vote by mail, by methods listed on the voting instruction card or in person with a proxy from the record holder.

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

A: If you do not provide your broker, bank or other nominee with instructions on how to vote your street name shares, your broker, bank or other nominee will not be permitted to vote them, and it will have the same effect as voting against the proposal to adopt the merger agreement but will not similarly affect the Youbet special meeting adjournment proposal.

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Q: If my shares are held in street name, what if I fail to instruct my broker, bank or other nominee?

A: If you fail to instruct your broker, bank or other nominee to vote your shares and the broker, bank or other nominee submits an unvoted proxy, the resulting broker non-votes will be counted toward a quorum at the respective special meeting, but they will not be voted and they will have the consequences set forth above under Why is my vote important?

Q: Can I change my vote after I have mailed my proxy card?

A: You can change your vote at any time before your proxy card is voted at the Youbet special meeting. You can do this in one of four ways:

delivering a valid, later-dated proxy by mail, or a later-dated proxy by telephone or Internet;

delivering a signed written notice to the person to whom you submitted your proxy stating that you would like to revoke your proxy;

voting at a later date by telephone or by using the Internet; or

voting by ballot at the Youbet special meeting.

Your attendance at the special meeting alone will not revoke your proxy. If you have instructed a broker, bank or other nominee to vote your shares by executing a voting instruction card or by using the telephone or Internet, you must follow directions from your broker, bank or other nominee to change those instructions.

Q: What happens if the merger is not consummated?

A: If the merger agreement is not adopted by Youbet stockholders or if the merger is not completed for any other reason, Youbet stockholders will not receive any payment for their shares of Youbet common stock in connection with the merger. Instead, Youbet will remain an independent publicly-traded company and its common stock will continue to be listed and traded on The NASDAQ Stock Market LLC, which we refer to as NASDAQ. If the merger agreement is terminated, Youbet may be required in specified circumstances to pay a termination fee of approximately \$4.3 million to CDI (and in certain circumstances, reimburse transaction expenses of CDI up to \$500,000), and CDI may be required in specified circumstances to pay a termination fee of \$5 million to Youbet and agree to use commercially reasonable efforts to secure for Youbet a content license agreement for all advance deposit wagering rights controlled by CDI and/or TrackNet Media Group, LLC, in each case as more fully described under The Merger Agreement Termination of the Merger Agreement Youbet Termination Fee and Expenses and The Merger Agreement Termination of the Merger Agreement CDI Termination Fee beginning on page 119.

Q: Should I send in my stock certificates now?

A: No. If Youbet stockholders approve the proposal to adopt the merger agreement, after the merger is completed, CDI's exchange agent will send Youbet stockholders written instructions for exchanging their stock certificates.

Q: Who is paying for this proxy solicitation?

- A:** CDI and Youbet will each bear their own respective expenses incurred in connection with the filing, printing and mailing of this proxy statement/prospectus. Youbet will be responsible for any fees incurred in connection with the solicitation of proxies for the Youbet special meeting. Youbet may also reimburse brokerage houses and other custodians, nominees and fiduciaries for their costs of forwarding proxy and solicitation materials to beneficial owners.

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Q: What is the vote of Yobet stockholders required to adopt the merger agreement?

A: Yobet cannot complete the merger unless the merger agreement is adopted by the affirmative vote of the holders of a majority of the outstanding shares of Yobet common stock entitled to vote at the special meeting. Approval of the Yobet special meeting adjournment proposal, if necessary to solicit additional proxies if there are insufficient votes to adopt the merger agreement at the time of the special meeting, requires the affirmative vote of a majority of the shares of Yobet common stock present in person or represented by proxy at the special meeting and entitled to vote at the special meeting.

Q: What happens if I do not indicate how to vote on my proxy card?

A: If you sign and send in your proxy card and do not indicate how you want to vote, your proxy will be counted as a vote FOR the proposal to adopt the merger agreement and FOR the Yobet special meeting adjournment proposal, if necessary.

Q: What should Yobet stockholders do if they receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, stockholders who hold shares in more than one brokerage account may receive a separate voting instruction card for each brokerage account in which shares are held. Stockholders of record whose shares are registered in more than one name will receive more than one proxy card. The Yobet board of directors urges Yobet stockholders to complete, sign, date and return each proxy card and voting instruction card they receive for the Yobet special meeting.

Q: Who can help answer my questions?

A: If you would like additional copies of this proxy statement/prospectus, or if you have questions about the merger, including the procedures for voting your shares, you should contact by letter, phone or email:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, NY 10016

proxy@mackenziepartners.com

(800) 322-2885

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SUMMARY

*The following is a summary that highlights information contained in this proxy statement/prospectus. This summary may not contain all of the information that may be important to you. For a more complete description of the merger agreement and the transactions contemplated by the merger agreement, including the merger, Churchill Downs Incorporated, which we refer to as CDI, and Yobet.com, Inc., which we refer to as Yobet, we encourage you to read carefully this entire proxy statement/prospectus, including the attached annexes. In addition, we encourage you to read the information incorporated by reference into this proxy statement/prospectus, which includes important business and financial information about CDI and Yobet that has been filed with the Securities and Exchange Commission. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in the section entitled *Additional Information Where You Can Find More Information* beginning on page 153 of this proxy statement/prospectus.*

The Companies

Churchill Downs Incorporated

700 Central Avenue

Louisville, Kentucky 40208

CDI is a leading multi-jurisdictional owner and operator of pari-mutuel wagering properties and businesses. Pari-mutuel wagering is a system of betting in which all bets are aggregated and the final payout for winning bets, determined after the pool is closed, is paid in proportion to their wager. Additionally, CDI offers gaming products through its slot and video poker operations in Louisiana. CDI was organized as a Kentucky corporation in 1928. CDI common stock is traded on NASDAQ, under the symbol CHDN.

CDI manages its operations through four operating segments as follows:

1. Racing Operations, which includes:

Churchill Downs Racetrack in Louisville, Kentucky, an internationally known thoroughbred racing operation and home of the Kentucky Derby since 1875;

Arlington Park Racecourse, a thoroughbred racing operation in Arlington Heights along with ten off-track betting facilities, which we refer to as OTBs, in Illinois;

Calder Race Course, a thoroughbred racing operation in Miami Gardens, Florida; and

Fair Grounds Race Course, a thoroughbred racing operation in New Orleans along with ten OTBs in Louisiana.

2. On-Line Business, which includes:

TwinSpires, an advance deposit wagering, which is a system of wagering in which an individual deposits money into an account prior to making a wager, in order to fund future wagers made in person, by telephone, over the internet or through other means of communication and which we refer to as ADW, business that conducts pari-mutuel wagering in 36 states;

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Bloodstock Research Information Services, a data service provider for the equine industry; and

CDI's equity investment in HRTV, LLC, a horseracing television channel, which we refer to as HRTV.

3. Gaming, which includes:

Video Services, Inc., the owner and operator of more than 800 video poker machines in Louisiana;

Fair Grounds Slots, a slot facility in Louisiana, which operates approximately 600 slot machines; and

Calder Casino and Race Course, a slot facility in Florida, which opened on January 22, 2010.

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4. Other Investments, which includes: