CHURCHILL DOWNS INCORPORATED

Code of Conduct

Statement of Company Policy - Securities Trades by Company Personnel (Insider Trading Policy)

Computer, E-mail, Voice Mail, Internet and Telephone Usage Policy
# CODE OF CONDUCT

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Dear CDI Employee:

Welcome to Churchill Downs Incorporated ("CDI" or the "Company"). CDI has successfully attained a leadership position in the Thoroughbred racing industry, and its racetracks, along with its subsidiaries and affiliates, are poised to set the standard for future racing opportunities. We can only continue to progress and grow if we adhere to the principles and values that have served us so well and helped us to grow in an ethical and responsible manner.

This Code of Conduct has been prepared to assist you in performing your job. This Code of Conduct states the corporate principles and defines the standards of conduct for employees who are the foundation of our business operations. This Code has been published to reaffirm the principles and standards that have always guided our Company. As an employee of CDI, you are expected to use the Code to guide you as you carry out your job.

The Code cannot, and does not, cover every situation in which choices and decisions must be made. Other Company policies, practices and procedures, as well as common sense, also apply. Each of us has a personal responsibility to abide by these standards. We must remember that misconduct by only a few can discredit our Company, harm our reputation and reflect poorly on all of us. Misconduct is often motivated not by personal gain, but rather by the belief that it is somehow benefiting the Company. This is a mistaken belief. Unlawful or improper business conduct can only harm the Company.

CDI’s reputation is a priceless asset that each of us is responsible for maintaining. Our Company is committed to maintaining the highest level of integrity in its business dealings with people, organizations, communities and governments wherever we operate. The Company must maintain its outstanding reputation for honesty and the highest ethical standards, and it can only achieve this goal through your actions. We can and should take great pride as we build this reputation.

In summary, my message is simple and direct. As you conduct the Company’s business, remember that observing the law is a requirement without exception, but that is not enough. We must also adhere to the Company’s Code of Conduct. Following the Code of Conduct is a condition of employment for each of us. I expect you to read our Code of Conduct and the other policies and apply them to your work. If you have any questions about how its principles, or about how any of the Company’s standards or policies apply, I expect you to seek answers from your immediate supervisor, the head of your facility or business unit, Racetrack Human Resources Director, Corporate Human Resources or the Company’s General Counsel.
The continuing success of the Company is dependent upon maintaining and enhancing our reputation, a goal that is largely in your hands. Please acknowledge your understanding of the CDI Code of Conduct by signing the final page of this booklet and returning it to the Human Resource representative at your facility.

Sincerely,
Robert L. Evans
President and Chief Executive Officer
Purpose

CDI is the premier horse racing company in the United States and, along with its affiliate racetracks, service companies and facilities, exhibits the highest of ethical standards. Our message is simple. You must, at all times, act in compliance with the law, this Code and other Company policies. There is to be no exception. Our good name and reputation rest on the ethical conduct of our employees.

This Code sets forth the standards of employee conduct required by CDI. This Code references other CDI policies which are in place or that may be implemented in the future. Those policies are available to employees and are maintained at specific business units. The policies of specific business units are kept by your supervisor. Should there be a conflict or inconsistency between this Code and other policies of the Company, those policies shall apply. Employees covered by collective bargaining agreements should follow the reporting procedures of their collective bargaining agreement only to the extent that they differ from the requirements of this Code.

You are expected to adhere to this Code as a condition of employment. However, nothing contained in this Code is to be construed as a contract of employment. Adherence to the Code will be the subject of management attention and periodic internal audits and reviews. Since your actions under this Code are indications of your judgment and competence, they will become important elements in the determination of your continued employment, promotion and compensation.

I. RESPONSIBILITIES

The Company, its managers and supervisors, and all employees have certain responsibilities of business conduct.

Company

CDI, through the Board of Directors and senior management, is responsible for fostering an environment that encourages all employees to adhere to the Code. In addition to the responsibilities of managers and all employees, the Board of Directors and senior management have the following responsibilities:

- Provide a work environment that encourages employees to act ethically and in compliance with our Code and the law.
- Establish an effective internal compliance reporting system that permits employees to raise concerns without fear of retaliation and that specifically identifies the persons to receive such reports.
- Make certain that periodic compliance reviews are conducted to assess the effectiveness of compliance measures and identify areas of risk and means of improvement.
- Provide full, complete, fair, accurate, timely and understandable disclosures in reports and documents filed with the Securities and Exchange Commission, and
in other public communications to employees, stockholders, regulators and law enforcement authorities.

Management

The responsibilities of our managers extend beyond those required of all employees. If you are a manager, you have the following responsibilities:

- Ensure that the employees who report to you understand and adhere to the Company’s ethics and compliance objectives.
- Set an example, acting with honesty, integrity and fairness, using your own behavior as a model.
- Consistently provide communication, education and training on, and reinforcement of, our Code, and related policies and procedures.
- Foster and provide for open communication and discussion with each other and encourage employees to ask questions and raise difficult issues.
- Accept responsibility for adherence to our policies, procedures and Code.

Employees

CDI views all employees as critical to maintaining an effective compliance system. As an employee, you have the following responsibilities:

- Understand and follow all the laws and policies that apply to your job and level of responsibility.
- Keep current with the Code and practices that support compliance.
- Contribute to workplace environment that is conducive to application of the Code in business activities.
- Ask for help if uncertain of a course of action and encourage fellow employees to do the same.
- Report any violation of the Code or Company policies to the Human Resources Director of your racetrack, Corporate Human Resources or CDI’s General Counsel.

Compliance Hotline

While most compliance matters may be resolved by communicating any concerns to your supervisor, the Human Resources site representative at your facility, or the CDI Legal Department. However, anonymous concerns regarding potential or actual violations of Company policy, laws, rules or regulations, may also be made. Churchill Downs Incorporated has retained The Network, a third party service provider whose staff is experienced in receiving concerns by toll free telephone, email, or the internet. This service is known as our “Compliance Hotline” and is available 24 hours a day, 7 days a week. Interpreters are available for language assistance when necessary.
The method for reporting a concern to the Compliance Hotline is as follows:

The Network
toll free: 1-800-736-0485
e mail: reportline@tnwinc.com
internet: https://www.tnwinc.com/webreport

II. BUSINESS ETHICS AND COMPLIANCE WITH THE LAW

Our business is based on a strong tradition of trust. It is the reason our customers come to us. Honesty and integrity are cornerstones of ethical behavior. Trustworthiness and dependability are essential to lasting relationships. Our continued success depends on doing what we promise promptly, competently and fairly.

In our rapidly evolving businesses, we are challenged by a complex environment that requires fast responses under pressure. No written policy can definitively set forth the appropriate action for all business situations. Accordingly, rather than a set of specific rules, this Code emphasizes a standard of ethical conduct that must permeate all of our business conduct and relationships. Additional policies may provide more guidance about certain practices related to your particular area of responsibility. You should speak with your supervisor for information about any of those policies that pertain to you.

The Code provides guidelines for a variety of business situations. It does not anticipate every ethical dilemma you may face. We, therefore, rely on you to use your judgment.

You are expected to comply with all laws affecting CDI, including all federal, state and local laws as well as laws of foreign nations with which we may do business and the rules and regulations of respective state racing commissions for those employees to whom those rules and regulations apply. Violations of these laws may result in criminal and civil prosecution of CDI and you. It is your responsibility to be aware of the laws and regulations affecting your job. Set forth below are general standards that you must meet to ensure compliance with both the legal and ethical responsibilities required of our business units.

Antitrust and Competition Laws

Antitrust and competition laws protect free enterprise. While these laws are complex and difficult to summarize, at a minimum, they prohibit agreements between CDI and our competitors that affect prices, terms or conditions of sale, or fair competition. In order to avoid creating even the appearance of improper agreements, CDI prohibits:

- Discussions or other contacts with competitors regarding price fixing, stabilization, or discrimination.
- Discussions or other contacts with suppliers and customers that unfairly restrict trade or exclude competitors from the marketplace.
• Agreements with competitors regarding territories or markets in which competitive products are sold, allocating markets or customers.
• Agreements with others to boycott customers or suppliers.

If you are responsible for areas of the business where these laws apply, you must be aware of them and their implications, and in particular, how they apply to your area of responsibility. These laws are complex. You are expected to ask for advice from the Legal Department before you act.

**Question:** How can I recognize anti-competitive behavior?

**Answer:** Actions that might violate applicable antitrust or competition laws can take many forms. Beware of discussions or agreements with competitors that relate to prices; terms or conditions of sale; costs, profits, or profit margins; product or service offerings; production or sales capacity or volume; market share; coordination of bidding activities; or dividing sales territories or allocation of customers or product lines.

**Bribery and Corruption**

CDI prohibits payments of any kind to any person either to obtain a competitive advantage or favor or to advance our interests with government authorities. CDI prohibits “commercial bribery.” Commercial bribery refers to the furnishing of something of value to an intermediary (e.g., an employee of a customer) without his or her supervisor’s knowledge, with the intent to influence the supervisor’s commercial conduct. CDI prohibits any employee, consultant, middleman, or other agent acting on such individual’s behalf or on behalf of the Company from directly or indirectly engaging in commercial bribery.

**Conflicts of Interest**

Under certain circumstances, our personal and other non-business activities and interests could have an inappropriate effect on our work responsibilities. Potential conflicts of interest can undermine our business judgment and our responsibility to CDI, and may threaten our business and reputation. We must avoid conflicts of interest, or even the appearance of such conflicts, to ensure that our actions are in the best interests of CDI, its customers and its business partners. A conflict of interest arises when you put your personal, social, financial, or political interests before CDI’s interests. Even the appearance of a conflict can damage CDI’s or your reputation. It should also be disclosed whenever you are asked to certify your understanding of and adherence to the standards in this booklet. Many conflicts of interest can be resolved in a simple and mutually acceptable way. The following are several types of conflicts of interest. **You must disclose any material transaction or relationship that reasonably could be expected to give rise to an actual or perceived conflict to your supervisor, Racetrack Human Resources Director or Corporate Human Resources.** Any potential conflict of interest should be promptly disclosed in writing to your supervisor.
Foreign Corrupt Practices

It is the policy of CDI that no employee shall promise, offer or make payments in money, products or services to any foreign official in exchange for or in order to induce favorable treatment or to affect governmental decisions in violation of the Foreign Corrupt Practices Act. The accounting practices of the Company shall also be consistent with the requirements of this Act.

Certain payments to foreign government employees may be permissible under the Foreign Corrupt Practices Act. Nonetheless, such payments may violate local law or custom or other U.S. laws. Since the law is complex and may cause confusion as to the propriety of payments, no such payments should be made without first consulting with the Legal Department. In addition, no employee should retain the services of a foreign representative in any foreign country without first obtaining the written approval of the General Counsel.

Gifts

CDI relies on the good faith and personal integrity of employees to avoid any impropriety or the appearance of impropriety, and to avoid improper or embarrassing relationships. You must use caution in accepting gifts or courtesies from suppliers, vendors, patrons and others whom you meet as a result of your job. This section does not apply to gifts received from the Company.

You may not solicit or accept, directly or indirectly, any cash or monetary equivalents, objects or preferential treatment from any person or enterprise that has, or is seeking, business with CDI where doing so may influence, or appear to influence, your business judgment. You also should not offer excessive gifts or entertainment to others whose business the Company may be seeking. You only may accept business-related meals, entertainment, and token gifts when the value involved is not significant and clearly will not place you under any obligation, real or perceived, to the donor. Contact your supervisor, the Racetrack Human Resources Director, Corporate Human Resources or the General Counsel’s office for specific information and guidance.

Question: How can I determine when a gift or offer of business entertainment is excessive?

Answer: The Code says you may accept an offer of business-related meals or entertainment or token gifts when the value involved is not significant and clearly will not place you under any obligation to the donor. Gifts, meals or entertainment that you may offer to others are subject to a similar standard. Your instincts usually will tell you when a gift is too lavish. The following are examples of the acceptability of gifts:
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<th><strong>Acceptable</strong></th>
<th><strong>Not Acceptable</strong></th>
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<td>A holiday gift of a bottle of wine from a supplier, vendor or customer.</td>
<td>A case of fine champagne.</td>
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<td>Tickets to a sporting event; attendance at the annual golf outing hosted by the Company’s outside law firm. (Such outings are acceptable for networking.)</td>
<td>Tickets to a distant sporting event, plus airfare and/or hotel accommodations for employee and spouse.</td>
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<tr>
<td>Familiarization trips offered to travel personnel to acquaint them with a destination; networking trips</td>
<td>Weekend trip to a resort that offers little opportunity for benefit to the Company.</td>
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<tr>
<td>A marble paperweight of modest value given by a supplier. (Gifts from customers must never be solicited.)</td>
<td>Cash, monetary equivalents, stored value products or gift certificates from a supplier. (Such gifts are too similar to cash and should be returned.)</td>
</tr>
<tr>
<td>Modest expressions of gratitude or gifts acknowledging personal events such as weddings or births.</td>
<td>A lavish personal gift such as a piece of fine jewelry or expensive watch.</td>
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**Question:** If, as employees, we must decline invitations from suppliers, customers or others for an event, resort or other function that might seem extravagant or unrelated to business, then why are certain senior officers of the Company allowed to accept invitations to attend events such as the Olympic Games?

**Answer:** Occasionally, the Company identifies opportunities to enhance or maintain important business relationships through attendance at functions. Senior officers of the Company are permitted and, in fact, encouraged to attend because of their relationships with significant customers and suppliers, which are important to the Company’s business. At the same time, the Company considers carefully which kinds of functions are appropriate and authorizes attendance if important business relationships are at stake.

The foregoing examples are illustrative only and are not intended to address all circumstances that may arise. We expect you to use good judgment and, if in doubt, contact your supervisor.

**Money Laundering Prevention**

Money laundering occurs when criminals try to “clean” the proceeds of their crimes to hide them or to make those proceeds appear legitimate. CDI is committed to complying fully with all anti-money laundering laws.

Employees must protect CDI’s integrity and reputation by helping to detect possible money laundering activities. These activities are often intricate and difficult to discover. Learn to watch for warning signs of money laundering, which may include a customer who
is reluctant to provide complete information. If you believe you have encountered a warning sign, notify your supervisor and contact the Mutuel Manager immediately.

**Outside Directorships and Consulting**

Before serving as a director or consultant of another for-profit business entity, you must first receive approval of your Racetrack Human Resources Director or Corporate Human Resources. All such matters shall be evaluated for the appearance of conflict of interest or violation of law.

**Outside Employment**

A conflict of interest exists if your outside business or other interests can affect your motivation or performance as a CDI employee.

- A second job or affiliation with a CDI competitor is not allowed.
- A second job or affiliation with a customer, supplier, or provider of goods or services is discouraged, but may be allowed with approval from your supervisor.
- Your supervisor must then report approval to the Human Resources Director of your facility.
- Even when outside employment is allowed, employees are still bound by all confidentiality obligations to CDI.

**Personal Investments or Transactions**

CDI respects your right to manage your investments and does not wish to interfere with your personal life. At the same time, you are responsible for avoiding situations that present – or create the appearance of – a potential conflict between your interests and those of CDI.

To be too specific involves the risk of restricting the application of this policy; however, there are obvious situations that can result in a conflict of interest, such as you or your family member:

- Having a substantial financial interest in a supplier, competitor, or customer.
- Having an interest in a transaction in which it is known that CDI is, or may be, interested.
- Taking advantage of CDI’s corporate opportunities for personal profit.
- Receiving fees, commissions, or other compensation from a supplier, competitor, or customer of the Company.

If you are unsure whether a personal investment or transaction could result in a conflict of interest, contact your supervisor.
Procurement

CDI bases its relationships with suppliers and vendors on lawful, efficient and fair practices. We also expect our suppliers and vendors to adhere to applicable legal requirements in their business relationships, including those with their employees, their local communities and CDI. The quality of these relationships often has a direct bearing on the quality of our customer relationships. Likewise, the quality of our suppliers’ and vendors’ products and services affects the quality of our own products and services. As a result, you have the following responsibilities when you procure products and services for the Company:

- Provide a competitive opportunity for suppliers, including small businesses and businesses owned by the disadvantaged, minorities and women.
- Do business only with suppliers and vendors who comply with local and other applicable legal requirements and any additional CDI standards relating to labor, environment, health and safety, intellectual property rights and improper payments.

Please refer to CDI’s Policy on Procurement if you are engaged in procurement for the Company.

III. WORKPLACE SAFETY, HEALTH AND THE ENVIRONMENT

CDI is committed to treating all employees and applicants with honesty, fairness, and respect. We believe in cooperation, teamwork, and trust. Hostility and harassment are illegal and offensive – there is no place for them at our Company. In order to create a safe work environment where people are treated respectfully and fairly, we will:

- Provide fair and equitable treatment for all employees.
- Promote a positive and harassment-free work environment.
- Protect the health and safety of all employees.

We will not:

- Engage in any form of discrimination, harassment, or retaliations.
- Permit the use of illegal drugs in the workplace.
- Allow abuse of alcohol or prescription drugs in the workplace.

Abuse of Drugs and Alcohol

While we respect individual privacy, we also recognize that substance abuse poses serious health and safety hazards in the workplace. We are dedicated to achieving a substance-abuse-free environment for the health and well-being of employees and for the enhancement of our competitive position. CDI’s formal policy and guidelines are compassionate but firm. Our policy is designed to eliminate substance abuse. In addition to pre-employment drug testing, employees may be tested when they display unusual
behavior or when there is a reasonable suspicion of drug or alcohol abuse. Where permitted, employees may be tested on a universal, random basis.

**Discrimination or Harassment**

CDI does not tolerate harassment or discrimination in the workplace. CDI values a work environment that is free of verbal or physical harassment regarding racial, ethnic, religious, physical or sexual characteristics, sexual orientation, or any other prohibited factor. CDI may be held responsible for the harassment or discrimination of employees by managers, supervisors, other employees, or non-employees if the Company knows (or should have known) about the behavior and fails to take appropriate corrective action.

**Equal Opportunity**

CDI wants to maintain its reputation as a premier employer. We will provide equal employment opportunities and treat applicants and employees in all interactions with the Company without regard to personal characteristics such as race, color, religion, gender, sexual orientation, age, national origin, marital status, pregnancy, disability, or veteran status. Managers are responsible for implementing and communicating this policy. Each operating unit should periodically monitor, report and, if necessary, correct its performance in the areas of equal opportunity.

**Reporting Discrimination or Harassment**

Employees who engage in acts of harassment and discrimination are subject to corrective action that may include termination of employment. Managers are responsible for maintaining business units that are free of harassment and discrimination. CDI is also committed to providing an environment that is free of retaliation. CDI promotes open communication throughout the Company to resolve questions, concerns, problems, or complaints involving discrimination or harassment. Here is what you can do:

- Talk to your supervisor, Human Resources representative, or an operating unit manager.
- Contact CDI’s Compliance Hotline or the Director of Compliance.

**Question:** My co-worker keeps telling racially charged jokes. He thinks they’re funny, but the jokes make me feel uncomfortable. What should I do?

**Answer:** Your co-worker should be made aware that his jokes are creating a negative work environment. You are encouraged to do this yourself or to report this to your supervisor who will be expected to take action. You can also call the Human Resources Director at your facility or the CDI Compliance Hotline.

**Question:** What should I do if I believe I have been discriminated against or harassed during the term of my employment?
Answer: If you believe that you or another individual has been the victim of unlawful discrimination or harassment, you should report this to either your supervisor or your Human Resources Director at your facility. If you prefer, you can speak with the Director of Compliance or contact the CDI Compliance Hotline.

Question: In my area, some people have sexually suggestive pictures programmed on their computer screens. How should I report this activity?

Answer: Sexually suggestive pictures are not appropriate in the workplace and should be removed. It also is against Company policy to receive and send through an external communication service such as the Internet any material that could be viewed as obscene, derogatory or sexually or otherwise offensive. You should contact your supervisor or the Human Resources Director at your facility.

The foregoing examples are illustrative only and are not intended to address all circumstances that may arise. We expect you to use good judgment and, if in doubt, contact your supervisor.

IV. MARKET INTEGRITY

Accuracy of Books and Records

Accurate business records are essential to the management of the Company and to maintaining and safeguarding investor confidence. Accurate business records also help CDI to fulfill its obligation to provide full, fair, timely and understandable financial and other disclosures to the public and governments around the world. Therefore, CDI’s books, records, and accounts (whether computerized, paper, or other) must fully and accurately reflect the Company’s business transactions. These include time sheets, vouchers, bills, invoices, expense reports, payroll and benefits records, performance evaluations, and other essential Company data.

Company records are any medium – regardless of format – that memorializes information created or used by the Company. This includes paper documents (including handwritten notes), audio or video tapes, magnetic or optical media, microfilm or microfiche, voice mail, and computer-based information such as e-mail, computer files on disk, servers or tape, and any other medium that contains information about a Company organization or its business activities. You are prohibited from tampering with these documents or removing or destroying them prior to the dates specified in our document retention program.

It is your responsibility to report any unrecorded funds or assets or false or artificial entries in the books and records of the Company if you become aware of them. If you learn of or suspect accounting fraud, report it immediately. Call the Corporate Internal Auditor, the Director of Compliance or call CDI’s Compliance Hotline:
Material issues will be reported to the Audit Committee of the Board of Directors.

**Document Retention**

CDI has records retention and disposal procedures to ensure that Company records are maintained, stored and, when appropriate, destroyed in accordance with CDI’s needs and in compliance with applicable legal, regulatory, environmental, tax, employment, and trade requirements. You are expected to be familiar with the specific requirements of your business and location, as well as with applicable corporate procedures.

Subject to local requirements, you may keep active documents in a way that suits your daily business needs. Inactive or historical documents must be described in a records transfer list and stored in a reasonable manner intended to protect such documents from damage. Regular document destruction must stop immediately if you are aware of a legal request for such documents or if the Legal Department has requested that you stop.

**Inside Information**

Although many of us have heard of restrictions on “insider trading,” few are sure exactly what it means. Simply put, it is illegal to use “inside information” to purchase or sell securities (for example, stocks, bonds, options, etc.). You cannot use information gained through the Company, before this information is known publicly, to buy or sell the securities of any company, including CDI. Nor can you give inside information to anyone else so that he can trade. This applies no matter where you live or where the receiver of the information lives. CDI’s policy, therefore, prohibits you from using or disclosing – either intentionally or by mistake – material, non-public information that you may acquire during the course of your employment at CDI.

**Material Information**

Material information is any information that an investor might use to decide whether to buy, sell, or hold securities. Examples of some types of material information are financial results; financial forecasts; changes in dividends; possible mergers, acquisitions, divestitures, or joint ventures; information concerning important product developments or related governmental rulings; major litigation developments; and major changes in business direction.

Information is considered non-public unless it has been adequately disclosed to the public. For instance, public filings with the Securities and Exchange Commission in the U.S., Company press releases, and some meetings between the Company and the press or public may involve the public disclosure of information. Not only must information be
widely available, there must also be adequate time for the market as a whole to become aware of the information before trading (based on the information) would be considered legal.

Securities law violations are taken very seriously. Government agencies are able to monitor trading activities through computerized records searches, with violations resulting in large civil and criminal penalties against companies and individuals.

If you have supervisory authority in connection with a matter that involves material non-public information, you are responsible for taking measures to ensure that the other employees working on the matter take appropriate precautions to prevent insider trading violations. These precautions include ensuring that all members of the working group understand that they possess material non-public information and are therefore barred from buying or selling securities, and that they must preserve the confidentiality of the information by disclosing it only on a need-to-know basis.

**Question:** What if I happen to overhear that CDI is planning to acquire a large company? Can I buy or sell CDI shares or shares of the other company?

**Answer:** No. The fact that you were not specifically given the information to do your job doesn't matter. The prohibition against trading applies to any information you obtain by virtue of being a CDI employee.

**Question:** If I tell my uncle about something important going on at the Company and he buys or sells CDI shares, am I liable for tipping?

**Answer:** Yes, most likely. If you pass material non-public information to him, a court would probably hold you liable based on a finding that you were trying to help him profit or to gain something personal by telling him. He would also be liable.

The foregoing examples are illustrative only and are not intended to address all circumstances that may arise. We expect you to use good judgment and, if in doubt, contact your supervisor.

Please refer to CDI’s Policy on Insider Trading for a full discussion of the Company’s policy in this area.
Media and Public Inquiries

CDI is committed to delivering accurate and reliable information to the media, financial analysts, investors, brokers, and other members of the public. All public disclosures, including forecasts, press releases, speeches, and other communications, will be honest, accurate, timely and representative of the facts. To ensure consistent, accurate delivery of Company information, employees are not authorized to answer questions from the news media, securities analysts, investors, or other members of the public. When approached for information, you must record the name of the person making the inquiry and immediately notify either the Director of Corporate Communications or your racetrack Racing Communications staff.

Please refer to CDI’s Disclosure Policy for a full discussion of the Company’s policy in this area.

V. BUSINESS INTEGRITY

Horse Ownership

As a CDI employee, you may not participate in the sale, purchase or ownership of any horse racing at any meeting conducted by the Company without the consent of the General Manager of your facility. The General Manager will be responsible for notifying Corporate Human Resources Director. Corporate employees must receive consent from the Company’s Chief Operating Officer. Employees should seek consent annually.

Patron Wagering

Only those employed as a pari-mutuel teller of the Company may accept pari-mutuel wagers from patrons, and patrons must be present in the Company’s facilities and must place their wagers at a betting window.

No pari-mutuel teller or any other Company employee shall engage in “ten-percenting”. A ten-percenter is a person who offers to cash tickets which are subject to IRS withholding regulations for any other person who has a winning ticket meeting IRS criteria. The ten-percenter does this in return for a portion of the winnings. Traditionally, ten percent (10%) was the amount charged by the ten-percenter, but the amount paid to the ten-percenter by the patron with the winning ticket may be negotiated. Both the ten-percenter and the original holder of the winning ticket who are involved in the transaction are violating IRS regulations by agreeing to this form of income tax evasion. The IRS considers tax evasion a serious crime. If you are aware of this practice taking place, you are to notify the Mutuel Manager immediately. Failure to do this can make you a party to the practice. Those involved in this practice are subject to penalties by the IRS and immediate termination of employment.

If your responsibilities involve the acceptance of pari-mutuel wagers, you should have access to your racetrack’s Pari-Mutuel Wagering Manual. If you have questions
concerning that manual, please contact your supervisor or the Mutuel Manager of your facility.

**Political Activity**

CDI encourages its employees to participate in lawful political activity. It is important, however, to distinguish between personal and corporate political activity. Company management is responsible for developing the Company’s position on relevant legislation, and the Company’s public affairs staff and lobbyists are responsible for communicating these positions to government officials.

Your involvement and participation must be on an individual basis, on your own time, and at your own expense. Further, if you speak on public issues, it must be made clear that comments made are your comments and not on behalf of the Company.

The political process is highly regulated. Federal, state and local ethics and campaign finance laws are complex, and differ among those jurisdictions in which the Company does business. Violation of these laws may be a felony and may result in the imprisonment of Company employees and substantial fines against the Company. If you have a question about what is or is not proper you should consult with the Senior Vice President, Public Affairs or your Racetrack President before agreeing to do anything that could be construed as involving the Company in any political activity.

Following are some specific guidelines for employee conduct involving public officials:

- Relationships with public officials should be conducted at all times in an honest and ethical manner and in compliance with the law;

- Employees are prohibited from influencing, or attempting to influence, public officials in the exercise their duties by offering gifts, gratuities, or other promises of reward or benefit – and such favors should not be solicited or accepted from them;

- Only those employees registered as lobbyists may engage in lobbying activity on behalf of the Company;

- As a general rule, you may not offer anything of value to public officials on behalf of the Company, including tickets for the Kentucky Derby or other race day, food and beverages, entertainment, money, gifts, or services. Any exception to this rule must receive prior approval from the Senior Vice President, Public Affairs or your Racetrack President; and

- You are prohibited from using any corporate funds, property, or services to support a political official, candidate or party. If you receive a request to make a political contribution on behalf of the Company, or to use a Company facility for a political
fundraiser or event, you must obtain prior approval from the Senior Vice President, Public Affairs or your Racetrack President.

**Safety and Security**

With the exception of authorized security personnel, employees are not permitted to carry firearms or any other weapons while on the job or store any such items in Company vehicles, on Company premises or job sites. This applies even to those with a permit or license to carry a firearm.

**Trade Secrets**

A trade secret is any information which is not known to our competitors and which may give us a competitive advantage. Examples of CDI’s trade secrets include (but are not limited to) the identities of our Derby ticket holders, our customers’ names and addresses, our plans regarding the acquisition, sale or improvement of properties, strategic business plans, our financial records, our advertising and marketing strategies, our lobbying efforts and development plans.

Trade secrets may be found in a wide variety of formats, including e-mails, written records, letters, plans, drawings, and computer programs. Many trade secrets known to you are not recorded in any format, but which nonetheless belong to the Company. If you are in doubt about whether something is a trade secret, assume that it is a trade secret until you have a chance to discuss the matter with your supervisor.

As an employee, it is your responsibility to help safeguard the Company’s trade secrets. Do not discuss sensitive Company business with outside parties, such as your spouse, children, neighbors, friends, vendors and the media. Put confidential information in locked files at night. Do not share your computer password with anyone. Shred documents that contain trade secrets. Do not leave sensitive information in plain view of visitors.

If you have been authorized by management to disclose confidential information to an outside party you must first ensure that the outside party has signed a confidentiality agreement. Such an agreement can be provided by the Company’s Legal Department.

You must not use any of the Company’s trade secrets for your own benefit or for the benefit of any other party, either during or after your employment with the Company. Upon termination of your employment with the Company, you must return all documents that contain the Company’s trade secrets.

**Trademarks**

A trademark includes any word, term, name, symbol, or device that identifies and distinguishes the source of goods of one party from those of another. In short, a trademark is a brand name.
CDI’s most recognizable trademark is the Twin Spires. The Company holds federal trademark registrations for the Twin Spires logo, as well as other trademarks widely used by the Company. The Company registered its trademarks to protect its investment in these names and symbols, which are so closely identified with CDI and its reputation for quality.

Employees must take steps to protect the Company’s trademarks, and safeguard against their misuse by third parties. Company trademarks which are federally registered must carry the symbol ® when the mark is used. Trademarks must be used consistently and as they were intended; employees and others may not arbitrarily change the size, dimension, colors or elements of the trademarks in collateral materials. The Company’s trademarks cannot incorporate another’s mark to portray a partnership; doing so will dilute the distinctiveness of the Company’s trademark.

You may not authorize a third party to use the Company’s trademarks or logos for any goods or services. Third-party use of a Company trademark must be approved by the Corporate Marketing Department. If you discover what you believe to be unauthorized use of any of the Company’s trademarks by a third party – on merchandise, signage, the Internet, or in advertising material – it should be brought to the attention of the Legal Department.

Finally, you must respect the trademarks and copyrights of other parties. Employees will not use third-party trademarks, or make copies of a copyrighted work (i.e., software), without prior written permission of the third party. A reliable rule of thumb is that an easily recognizable mark or slogan, such as “Final Four” or “March Madness” is likely a registered trademark. Employees must be alert to these issues when planning Company events or promotions.

Use of Company Assets

Computers. The Company’s computers and the information included therein are valuable assets of the Company. Unauthorized software (“freeware”, unlicensed for use by the Company or personal) is not permitted to be used at any Company location or on any Company computer without the express approval of the Vice President, Information Technology. See your supervisor for Company procedures regarding use of any Company hardware or software.

Proprietary Information. Proprietary or confidential information that is developed as part of your job is valuable Company property. Such information includes, but is not limited to, financial, technical, operating, marketing and administrative information in many forms. A CDI employee shall not use such information for personal use or make a public disclosure. Prior written authorization of the General Counsel is required for any deviation from this policy.
Proprietary information may also include information belonging to others. CDI's employees shall handle such information in accordance with any agreements concerning their use and with the same care as if they were the property of the Company.

These provisions apply to employees even if they leave the Company. When an employee terminates employment with the Company, the employee must return all copies and originals of Company documents and records.

VI. UPHOLDING THE STANDARDS

Compliance

You are responsible for complying with this Code and any other Company policies. You should review this Code carefully in order to understand and comply with it. If you have questions, please seek advice from your supervisor. If you still have questions, please contact the Human Resources Director at your facility or the Director of Compliance.

Reporting Violations

Your conduct can reinforce an ethical atmosphere and positively influence the conduct of fellow associates. If you are powerless to stop suspected misconduct or discover it after it has occurred, you must report it to the appropriate level of management at your location.

If you are still concerned after speaking with your local management or feel uncomfortable speaking with them (for whatever reason), you may anonymously contact CDI’s “Compliance Hotline” which is available 24 hours a day, 7 days a week. Interpreters are available for language assistance when necessary.

The method for reporting a concern to the Compliance Hotline is as follows:

The Network
toll free: 1-800-736-0485
e-mail: reportline@tnwinc.com
internet: https://www.tnwinc.com/webreport

Your calls, detailed notes and/or e-mails will be dealt with confidentially. You have the commitment of CDI and of the Audit Committee of CDI’s Board of Directors that you will be protected from retaliation.

Waivers

The Code of Business Conduct and Ethics applies to all CDI employees and its Board of Directors. There shall be no waiver of any part of the Code, except by a vote of the Board of Directors or the Audit Committee, which will ascertain whether a waiver is
appropriate and ensure that the waiver is accompanied by appropriate controls designed to protect CDI.

In the event that any waiver is granted, the waiver will be posted on the CDI website, thereby allowing the CDI shareholders to evaluate the merits of the particular waiver.
STATEMENT OF COMPANY POLICY –
SECURITIES TRADES BY COMPANY PERSONNEL
(Insider Trading Policy)

The Need For A Policy Statement

Churchill Downs Incorporated (the "Company") has adopted this Policy Statement both to satisfy the Company's obligation to prevent insider trading and to help Company personnel avoid the severe consequences associated with violations of the insider trading laws. The Policy Statement also is intended to prevent even the appearance of improper conduct on the part of anyone employed by or associated with the Company (not just so-called insiders). We have all worked hard over the years to establish a reputation for integrity and ethical conduct, and we cannot afford to have that reputation damaged.

Read this Policy Statement carefully. If you have any questions about this Policy Statement or its application to any proposed transaction, you may obtain additional guidance from Rebecca Reed, General Counsel, whose telephone number is (502) 636-4429. Ultimately, however, the responsibility for adhering to this Policy Statement and avoiding unlawful transactions rests with the individual employee.

In general terms, Company policy prohibits:

• the purchase or sale of the Company’s securities while aware of material nonpublic information;
• the disclosure of material nonpublic information to others who then trade in the Company's securities;
• answering questions or providing information about the Company or its affairs to outsiders unless you are specifically authorized to do so. See the Company's Disclosure Policy.

Insider trading violations are pursued vigorously by the Securities and Exchange Commission (the “SEC”) and the U.S. Attorneys and are punished severely. While the regulatory authorities concentrate their efforts on the individuals who trade, or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading by company personnel.

The Consequences

The consequences of an insider trading violation can be severe.

Traders and Tippers. Company personnel (or their tippees) who trade on inside information are subject to the following penalties:

• A civil penalty of up to three times the profit gained or loss avoided;
• A criminal fine of up to $1,000,000 (no matter how small the profit);
• A jail term of up to ten years; and
• Private suits for damages equal to the profit gained or the loss avoided.

An employee who tips information to a person who then trades is subject to the same penalties as the tippee, even if the employee did not trade and did not profit from the tippee's trading.
**Control Persons.** The Company and its supervisory personnel, if they fail to take appropriate steps to prevent illegal insider trading, are subject to the following penalties:

- A civil penalty of up to $1,000,000 or, if greater, three times the profit gained or loss avoided as a result of the employee’s violation;
- A criminal penalty of up to $2,500,000 for the Company and up to $1,000,000 for the individual supervisor(s); and
- Private suits for damages equal to the profit gained or the loss avoided.

**Company-Imposed Sanctions.** An employee's failure to comply with the Company's insider trading policy may subject the employee to Company-imposed sanctions, up to and including dismissal for cause, whether or not the employee's failure to comply results in a violation of law. Needless to say, a violation of law, or even an SEC investigation that does not result in prosecution, can tarnish one's reputation and irreparably damage a career.

**Anti-Fraud Provisions.** Section 10(b) of the 1934 Act and Rule 10b-5 under the 1934 Act are anti-fraud provisions which prohibit untrue or misleading disclosures by the Company, trading on material nonpublic information and disclosure of material nonpublic information to outsiders who trade in shares of the Company based on such information. Rule 10b-5 under the 1934 Act provides that in making disclosures to the public, the Company may not make any untrue statement of a material fact or, when making a disclosure, omit a material fact necessary in order to make the statement made, in light of the circumstances under which it was made, not misleading. Generally, as discussed below, a fact will be considered material if a reasonable investor would consider it important in reaching his or her investment decision. A breach of this obligation may make the Company liable for, among other things, the losses of all persons who trade in its securities in reliance on the disclosure. In light of the magnitude of the potential liability this obligation carries with it and the difficulty of determining whether a statement or omission is material or misleading, all public statements and press releases should be carefully reviewed for accuracy and completeness prior to their release and then released only in compliance with the Company’s Disclosure Policy.

**Statement of Policy**

It is the policy of the Company that no director, officer or other employee of the Company who is aware of material nonpublic information relating to the Company may, directly or through family members or other persons or entities:

- be a controlling person (other than pursuant to a written trading plan that complies with SEC Rule 10b5-1 and is pre-approved by the General Counsel)
(see Trading Plans, below)) or engage in any other action to take personal advantage of that information; or
- pass that information on to others outside the Company, including family and friends.

In addition, it is the policy of the Company that no director, officer or other employee of the Company who, in the course of working for the Company, learns of material nonpublic information about a company with which the Company does business, including a customer or supplier of the Company, may trade in that company’s securities until the information becomes public or is no longer material.

Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are not excepted from the policy. The securities laws do not recognize such mitigating circumstances and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

**Disclosure Of Information To Others.** The Company is required under Regulation FD of the federal securities laws to avoid the selective disclosure of material nonpublic information. The Company has established procedures for releasing material information in a manner that is designed to achieve broad public dissemination of the information immediately upon its release. See the Company's Disclosure Policy. You may not, therefore, disclose information to anyone outside the Company, including family members and friends, other than in accordance with those procedures. You also may not discuss the Company or its business in an Internet "chat room" or similar internet-based forum.

**Material Information.** Material information is any information that a reasonable investor would consider important in making a decision to buy, hold, or sell securities. Any information that could be expected to affect the Company's stock price, whether it is positive or negative, should be considered material. Some examples of information that ordinarily would be regarded as material are:

- Projections of future earnings or losses, or other earnings guidance;
- Earnings that are inconsistent with the consensus expectations of the investment community;
- A pending or proposed merger, acquisition or tender offer;
- A pending or proposed acquisition or disposition of a significant asset;
- A change in dividend policy, the declaration of a stock split or the offering, purchase or redemption of Company securities;
- A change in management;
- Development of a significant new product or process;
- Impending bankruptcy or the existence of severe liquidity problems;
- The gain or loss of a significant customer or supplier;
- Significant litigation; and
• Changes in pricing.

_Twenty-Twenty Hindsight_. The above list is not exhaustive. Materiality is determined based upon all the facts and circumstances surrounding the particular information. Remember, anyone scrutinizing your transactions will be doing so after the fact, with the benefit of hindsight. As a practical matter, before engaging in any transaction, you should carefully consider how enforcement authorities and others might view the transaction in hindsight.

_When Information is "Public"_. If you are aware of material nonpublic information, you may not trade until the information has been disclosed broadly to the marketplace (such as by press release or an SEC filing) and the investing public has had time to absorb the information fully. _To avoid the appearance of impropriety, as a general rule, information should not be considered fully absorbed by the marketplace until after the second business day after the information is released._ If, for example, the Company were to make an announcement on a Monday, you should not trade in the Company's securities until Thursday. If an announcement were made on a Friday, Wednesday generally would be the first eligible trading day.

_Safeguarding Material Non-public Information_. If you have access to material non-public information, you must be careful with it, both inside and outside of the office.

- Do not discuss material, non-public information in public -- not even in a public setting on the Company's premises.
- Do not discuss material non-public information on cellular or wireless telephones. These are open airways that can be overheard, deliberately or inadvertently.
- Do not discuss material non-public information in Internet chat rooms or message boards, and do not post it on Internet Web sites.
- Do not send material non-public information by e-mail to anyone, except other directors and employees who need such information to do their work.
- Do not discuss material non-public information with friends and family. Even seemingly inadvertent releases of this information can expose the Company and you and your family and friends to civil and criminal penalties. Keep in mind that your friends and family may not fully understand the consequences of disclosing or using material non-public information.
- Do not comment on the price or value of Company securities or encourage anyone to buy, sell or hold Company securities.
- Be careful when you are working with written material containing material non-public information in public settings, including on public transportation.

_Transactions by Family Members_. The insider trading policy also applies to your family members who reside with you, anyone else who lives in your household, and any family members who do not live in your household but whose transactions in the Company’s securities are directed by you or are subject to your influence or control (such as parents or children who consult with you before they trade in Company securities). You are
responsible for the transactions of these other persons and therefore should make them aware of the need to confer with you before they trade in the Company's securities.

### Transactions Under Company Plans

**Stock Option Exercises.** The Company's insider trading policy does not apply to the exercise of an employee stock option, or to the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares subject to an option to satisfy tax withholding requirements. The policy does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

**Employee Stock Purchase Plan.** The Company's insider trading policy does not apply to purchases of Company stock in the employee stock purchase plan resulting from your periodic contribution of money to the plan pursuant to the election you made at the time of your enrollment in the plan. The policy also does not apply to purchases of Company stock resulting from lump sum contributions to the plan, provided that you elected to participate by lump-sum payment at the beginning of the applicable enrollment period. The policy does apply to your election to participate in the plan for any enrollment period and to your sales of Company stock purchased pursuant to the plan.

### Additional Prohibited Transactions

The Company considers it improper and inappropriate for any director, officer or other employee of the Company to engage in short-term or speculative transactions in the Company's securities. It therefore is the Company's policy that directors, officers and other employees may not engage in any of the following transactions:

**Short Sales.** Short sales of the Company's securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance. For these reasons, short sales of the Company's securities are prohibited by this Policy Statement. In addition, Section 16(c) of the Exchange Act prohibits officers and directors from engaging in short sales.

**Publicly Traded Options.** A transaction in options is, in effect, a bet on the short-term movement of the Company's stock and therefore creates the appearance that the director or employee is trading based on inside information. Transactions in options also may focus the director's or employee's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in puts, calls or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy Statement.

**Hedging Transactions.** Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow an employee to lock in much of the value of his or her stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow the director or employee to continue to own the covered securities, but without the full risks and rewards of ownership. When that
occurs, the director or employee may no longer have the same objectives as the Company's other shareholders. Accordingly, hedging and monetization transactions are prohibited by this Policy Statement.

Trading Plans. Notwithstanding the prohibition against insider trading, Rule 10b5-1 and Company policy permit directors, officers and employees in possession of material non-public information to transact in the Company's securities regardless of their awareness of inside information if the transaction is made pursuant to a pre-arranged trading plan (a "Trading Plan") that was entered into when the individual was not in possession of material non-public information. Company policy requires Trading Plans to be written and to specify the amount of, date on, and price at which the securities are to be traded or establish a formula for determining such items. A director or employee who wishes to enter into a Trading Plan must submit the Trading Plan to Rebecca Reed, General Counsel, for approval prior to the adoption of the Trading Plan. Trading Plans may not be adopted during blackout periods or when the director or employee is in possession of material non-public information about the Company. A director or employee may amend or replace his or her Trading Plan only during periods when trading is permitted in accordance with this Policy Statement.

Post-Termination Transactions. The Policy Statement continues to apply to your transactions in Company securities even after you have terminated employment. If you are in possession of material nonpublic information when your employment terminates, you may not trade in Company securities until that information has become public or is no longer material.

Company Assistance. Any person who has a question about this Policy Statement or its application to any proposed transaction may obtain additional guidance from Rebecca Reed, General Counsel, whose telephone number is (502) 636-4429. Ultimately, however, the responsibility for adhering to this Policy Statement and avoiding unlawful transactions rests with the individual employee.

Certifications. All employees must certify their understanding of and intent to comply with this Policy Statement.
ATTACHMENT B
Computer, E-mail, Voice Mail, Internet and Telephone Usage Policy

General Guidelines

The software packages residing on Churchill Downs Incorporated's (“CDI” or the “Company”) network, E-mail (internal and Internet messages), and Internet (www access) systems are part of CDI’s computer system and should be used primarily for business purposes. **CDI’s computer systems, software and hardware, E-mail, voice mail, and telephone system are the sole property of CDI. All information transmitted by, received in or from, or stored in these systems is the sole property of CDI. No employee should have any expectation of privacy regarding such information in CDI’s above-listed systems or hardware or equipment or in the use of those systems, hardware or equipment.** Internal personal business such as advertising items for sale or requesting athletic tickets should be kept to a bare minimum. External personal communication should also be kept to a minimum.

No internal or external E-mail messages nor internal or external voice messages shall be created or sent, nor shall messages be sent by any other means, through CDI’s equipment or systems by employees or managers which may constitute intimidating, hostile or offensive material on the basis of sex, race, age (40 and over), color, religion, national origin, marital status, physical or mental disability, sexual orientation, gender identity or other protected class. Users should refrain from using all-capital letters since this can be construed as "shouting". These same rules apply to communication over the Internet, whether internal or external (i.e., chat rooms). Nor may CDI’s telephone system be used to transmit such calls directly to a person internally or externally. CDI’s policy against sexual harassment applies fully to E-mail messages, quick messages, or any other transmissions from the Company’s computer system, and to voice mail messages and telephone calls, as well as any form of communication using CDI’s hardware, software, systems or equipment, and any violation of that policy is grounds for discipline up to and including discharge.

Any manager or employee who becomes aware of misuse of any of CDI’s computer systems, including but not limited to hardware, software, word processing, E-mail, or Internet, or the telephone and voice mail systems, should promptly contact the Director of Human Resources at your facility.

Specific Provisions

1. Except for normal day-to-day, work sharing purposes, it is forbidden to access or attempt to access the documents, directories, subdirectories, folders or subfolders of any other employee or manager of CDI in the Company’s computer system without prior permission from that employee or manager. It is also forbidden to access or attempt to access information or messages contained in the voice mailbox of any other employee.
or manager. Anyone who is found to have inappropriately accessed or who inappropriately attempted to access the documents or E-mail or voice mail of others will be subject to discipline up to and including discharge. This prohibition does not prevent CDI, through its Vice President, Human Resources, from accessing documents, folders, subfolders, directories or subdirectories or any other information or data stored in an employee's or manager's computer, since all of them are the property of CDI and employees are on notice of the Company's right to access and monitor that data and information.

2. Visiting illegal, pornographic, adult, or game sites or sites where the principal content or portions of the content of the site or source is sexually oriented, on the Internet or other inappropriate uses of the Internet is prohibited. CDI reserves the right to determine which sites are inappropriate. The display or transmission of sexually explicit images, cartoons or any other communication which can be construed as harassment or disparagement of others based upon their sex, race, age (40 and over), color, religion, national origin, marital status, physical or mental disability, sexual orientation, gender identity, or other protected class is not permitted. Internet sites you visit may be capable of determining who you are and who you represent. CDI has the capability and the right to monitor this information as well. Accordingly, access to the Internet should include the use of good judgment, common sense and careful discretion.

3. Because of the prevalence of viruses on the Internet, downloading of any program or other material is prohibited, except as expressly approved by the Director of Information Technology. Requests for exception to this provision must be submitted in writing with a business justification. If approved by the Director of Information Technology, downloading of such programs or files must be done on the user's specific PC hard drive and not on Churchill Downs' network servers.

4. CDI personnel are cautioned that downloading material from the Internet is considered making a copy of it under the copyright laws and, therefore, if the material is copyrighted, that would be an infringement of the law. CDI personnel should be sensitive to this concern and, if there is any doubt as to whether or not something can be downloaded, speak with the your supervisor in advance.

5. Company directors, officers and employees may not disclose, under any circumstances, Company information of a confidential, sensitive or proprietary nature to anyone inside or outside of the Company – including Internet forums such as chat rooms, message boards and E-mail – unless the comments are approved in advance by CDI's Disclosure Committee as official statements for public disclosure and appropriately disseminated to the public.

6. Using hacker programs, and attempting to access or accessing third-party computer systems using hacker techniques is prohibited. Vulnerabilities in CDI's computer security system should be reported to the Director of Information Technology.
7. The destruction, theft, alteration or any other form of sabotage of CDI computers, programs, files or data is prohibited.

8. All E-mail messages and software documents, records and data stored in CDI's computer system, and voice messages, are Company records which CDI, through its Vice President, Human Resources, reserves the right to access, read, monitor, listen to or disclose for any reason at any time. By using the Company's computer equipment, hardware, software, E-mail system, telephone system, and voice mail system, managers and employees are considered to consent to having their communications and documentation through this equipment and in these systems monitored by CDI.

9. All CDI personnel using the Internet agree to comply with the Company's Internet and E-mail policy, copyright law and related automation policies. Failure to comply can result in loss of Internet privileges and discipline up to and including discharge. CDI may suspend or revoke the right of any Internet or E-mail user based on violation of this policy or other inappropriate use which could subject the Company to potential liability.

10. Although CDI personnel have been given a password to limit access to the computer network, E-mail and Internet systems the Company permits them to use, and although CDI personnel choose a password number for the voice mail system, none of these is the private property of any person. While managers and employees are forbidden to access or attempt to access someone else's E-mail and cannot attempt to use someone else's password without prior authorization, CDI, through its Vice President, Human Resources, has a right to access anyone's system at any time for any reason without prior notice.

11. No software or programs or communications programs, including instant messaging programs, nor any other matters may be installed into CDI's computer or E-mail system without prior approval of the Director of Information Technology.

12. Users agree to comply with all software, licensing, and other state and federal laws governing intellectual property and on-line activity.
CODE OF CONDUCT ACKNOWLEDGMENT

I have carefully read and understand the booklet “Churchill Downs Code of Conduct”. I have complied with and agree to comply with its purposes and provisions and with any future changes in policy, rules and regulations. I am unaware of any instances of non-compliance by myself or others.

______________________________________
Signature of Employee

Printed Name of Employee   Date

Name of Business Unit

Location of Business Unit (City, State)

INSIDER TRADING ACKNOWLEDGMENT

1. I have read and understand the Company’s Statement of Policy -Securities Trades by Company Personnel and the pre-clearance procedures and blackout periods for executive officers and other key employees (collectively, the “insider trading policy”). I understand that the General Counsel is available to answer any questions I have regarding the insider trading policy.

2. Since ___________________, or such shorter period of time that I have been an officer or employee of the Company, I have complied with the insider trading policy.

3. I have complied with, and will continue to comply with, the insider trading policy for as long as I am subject to the policy.

______________________________________
Signature of Employee

Printed Name of Employee   Date
ELECTRONIC RESOURCE USAGE POLICY

I hereby acknowledge that I have read and understand and will comply with the policies described above, and that I have been provided with a copy of the policy.

I waive any privacy rights in any matter created, received or sent by CDI’s internal E-mail or through the Internet, any documents or data or information I create using the Company’s computer or telephone systems, any documents stored on the computer system, or any messages stored in the telephone voice message system or in any other systems. I understand that CDI, in its discretion, reserves the right to monitor, if necessary, and to access any matter created, received or sent from the system, and all personnel consent to the access and disclosure of such by authorized Company management.

Failure to sign and return the policy will not allow a user to violate any provision of this policy and all users are governed by this policy regardless of the existence of a signed agreement. I understand that any violation of this policy may result in discipline up to and including discharge, and limitation of my rights to use any of the systems described in this policy.

____________________________________
Signature of Employee

_______________________________    ________________
Printed Name of Employee           Date

Please complete and return this Acknowledgment Form to the Vice President of Human Resources (Louisville, Kentucky employees), your location’s human resources representative or to the individual designated by your facility manager.