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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning 01-01-2008 and ending 12-31-2008

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Termination

☐ Amended return

☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization

Breeders' Cup Limited

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

PO Box 4230

Room/suite

City or town, state or country, and ZIP + 4

Lexington, KY 40544

D Employer identification number

13-3082904

E Telephone number

(859) 223-5444

G Gross receipts

\$ 87,218,897

F Name and address of Principal Officer

GREGORY C AVIOLI

2525 Harrodsburg Road

Lexington, KY 40504

H(a) Is this a group return for affiliates?

☐ Yes ☒ No

H(b) Are all affiliates included?

☐ Yes ☐ No

(If "No," attach a list See instructions)

H(c) Group Exemption Number

I Tax-exempt status

☒ 501(c) (6) ☐ (insert no) ☐ 4947(a)(1) or ☐ 527

J Web site:

www.breederscup.com

K Type of organization

☒ Corporation ☐ trust ☐ association ☐ other

L Year of Formation

1980

M State of legal domicile

NY

Part I Summary			
Activities & Governance	1	Briefly describe the organization's mission or most significant activities TO SUPPORT BREEDERS BY PROMOTING THE GROWTH OF THE THOROUGHBRED RACING INDUSTRY THROUGH THE STAGING OF THE BREEDERS' CUP COMPETITION	
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets	
	3	Number of voting members of the governing body (Part VI, line 1a)	3 21
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 20
	5	Total number of employees (Part V, line 2a)	5 38
	6	Total number of volunteers (estimate if necessary)	6 0
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a 2,591
	b	Net unrelated business taxable income from Form 990-T, line 34	7b 0
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 0Current Year 0
	9	Program service revenue (Part VIII, line 2g)	48,898,38946,696,373
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,258,837-5,695,249
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	270,8192,591
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	54,428,04541,003,715
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	100,050150,000
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	3,108,2793,582,956
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0
	b	(Total fundraising expenses, Part IX, column (D), line 25 ⁰)	
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	48,784,48543,913,041
	18	Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	51,992,81447,645,997
	19	Revenue less expenses Subtract line 18 from line 12	2,435,231-6,642,282
Net Assets or Fund Balances			Beginning of YearEnd of Year
	20	Total assets (Part X, line 16)	52,608,02046,066,815
	21	Total liabilities (Part X, line 26)	8,316,77112,992,480
	22	Net assets or fund balances Subtract line 21 from line 20	44,291,24933,074,335

Part II

Signature Block

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Signature of officer

2010-04-07

Date

MATTHEW LUTZ CFO

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed ☐

Preparer's PTIN (See Gen Inst)

Firm's name (or yours if self-employed), address, and ZIP + 4

Crowe Horwath LLP

144 North Broadway

Lexington, KY 40507

EIN

Phone no (859) 252-6738

May the IRS discuss this return with the preparer shown above? (See instructions)

☐ Yes ☐ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2008)

Part III

Statement of Program Service Accomplishments (See the instructions.)

1

Briefly describe the organization’s mission

TO SUPPORT BREEDERS BY PROMOTING THE GROWTH OF THE THOROUGHBRED RACING INDUSTRY THROUGH THE STAGING OF THE BREEDERS' CUP COMPETITION

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

YesNo

If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting or make significant changes in how it conducts any program services?

YesNo

If “Yes,” describe these changes on Schedule O

4

Describe the exempt purpose achievements for each of the organization’s three largest program services by expenses
Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code) (Expenses \$ 0 including grants of \$) (Revenue \$)

THROUGH BREEDERS' CUP CHAMPIONSHIPS, BREEDERS' CUP CHALLENGE SERIES, YEAR ROUND STAKES PROGRAM, AND NOMINATIONS PROGRAM, BREEDERS' CUP LIMITED PROMOTES THE THOROUGHBRED INDUSTRY BY ENHANCING PUBLIC AWARENESS OF THOROUGHBRED RACING AND THE INDUSTRY IN GENERAL TRACK PROMOTION OF BREEDERS' CUP RACES, TELEVISION, RADIO AND INTERNET PROMOTIONS, NEWSFEEDS, PRESS CONFERENCES, PRESS RELEASES, THE KENTUCKY HORSE PARK EXHIBIT, AND OTHER PROMOTIONAL CAMPAIGNS ARE ALL USED TO INCREASE PUBLIC AWARENESS AND PROMOTE THE THOROUGHBRED INDUSTRY MORE THAN 81,000 SPECTATORS ATTENDED THE 2008 BREEDERS' CUP CHAMPIONSHIPS WHICH GENERATED OVER \$18 MILLION IN REVENUES FOR THE ORGANIZATION THE FINANCIAL SUCCESS OF THE 2008 CHAMPIONSHIPS ENABLED THE ORGANIZATION TO FUND NEARLY \$30 MILLION IN PURSES AND NOMINATOR AWARDS FOR THE YEAR

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4d

Other program services (Describe in Schedule O)
(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses \$ 0 Must equal Part IX, Line 25, column (B).

Form 990 (2008)

Part IV

Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		No
2	Is the organization required to complete Schedule B, Schedule of Contributors?		No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		No
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 		No
10	Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 		No
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable 	Yes	
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII 		No
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		No
14a	Did the organization maintain an office, employees, or agents outside of the U S ?		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? If "Yes," complete Schedule F, Part I		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III		No
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I		No
18	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		No
19	Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H		No
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II 	Yes	
22	Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III 		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J 	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I		
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II 		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III 		No

Part IV Checklist of Required Schedules *(Continued)*

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i> 		No
b	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> 		No
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i> 	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> 		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> 	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> 	Yes	
36	501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
37	Did the organization conduct more than 5 percent of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> 		No

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a186		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a38		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . . Note: <i>If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		No
b	If "Yes," enter the name of the foreign country _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).	7a		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?			
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	7f		
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h		
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		

Part VI

Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

		Yes	No
1a	Enter the number of voting members of the governing body		
1b	Enter the number of voting members that are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?		No
6	Does the organization have members or stockholders?	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	Yes	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	the governing body?	Yes	
8b	each committee with authority to act on behalf of the governing body?	Yes	
9a	Does the organization have local chapters, branches, or affiliates?		No
9b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	Yes	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		No

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No", go to line 13	Yes	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	Yes	
13	Does the organization have a written whistleblower policy?	Yes	
14	Does the organization have a written document retention and destruction policy?	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
15a	The organization's CEO, Executive Director, or top management official?	Yes	
15b	Other officers or key employees of the organization? Describe the process in Schedule O	Yes	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		No
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed <u> KY </u>
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. ☐ own website ☐ another's website ☒ upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. MATTHEW J LUTZ 2525 HARRODSBURG ROAD LEXINGTON, KY 40504 (859) 223-5444

Section A Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

☐ Check this box if the organization did not compensate any officer, director, trustee or key employee

[illegible]

Part VIII

Statement of Revenue

			(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514		
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a					
	b	Membership dues						
			1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above						
			1f					
	g	Noncash contributions included in lines 1a-1f \$						
h	Total (Add lines 1a-1f)		0					
Program Service Revenue	2a	ENTRY FEES	Business Code	900,099	7,130,000	7,130,000		
	b	NOMINATION FEES		900,099	21,515,392	21,515,392		
	c	SIMULCASTING FEES AND HOST TRACK CONTRIBUTION		900,099	14,062,490	14,062,490		
	d	RIGHTS AND ROYALTY FEES		900,099	3,988,491	3,988,491		
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f						
		\$ 46,696,373						
	Other Revenue	3	Investment income (including dividends, interest other similar amounts)		786,222		786,222	
4		Income from investment of tax-exempt bond proceeds		0				
5		Royalties		0				
		(i) Real	(ii) Personal					
6a		Gross Rents						
b		Less rental expenses						
c		Rental income or (loss)						
d		Net rental income or (loss)						
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other	39,733,711			
b		Less cost or other basis and sales expenses			46,215,182			
c		Gain or (loss)			-6,481,471			
d		Net gain or (loss)			-6,481,471		-6,481,471	
8a		Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000	a					
b		Less direct expenses	b					
c		Net income or (loss) from fundraising events			0			
9a		Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000	a					
b		Less direct expenses	b					
c		Net income or (loss) from gaming activities			0			
10a		Gross sales of inventory, less returns and allowances	a					
b		Less cost of goods sold	b					
c		Net income or (loss) from sales of inventory			0			
		Miscellaneous Revenue	Business Code					
11a		CREDIT ENHANCEMENT SERVICES		900,003	2,591	2,591		
b								
c								
d		All other revenue						
e	Total. Add lines 11a-11d							
	\$ 2,591							
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		41,003,715	46,696,373	2,591	-5,695,249		

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).					
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	150,000	0		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	2,120,519			
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	772,537	0		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	206,890			
9	Other employee benefits	285,896			
10	Payroll taxes	197,114			
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	173,149			
c	Accounting	49,150			
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	0			
12	Advertising and promotion	7,046,105			
13	Office expenses	6,260			
14	Information technology	111,527			
15	Royalties	0			
16	Occupancy	582,440			
17	Travel	514,003			
18	Payments of travel or entertainment expenses for any Federal, state or local public officials	0			
19	Conferences, conventions and meetings	42,673			
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	96,257			
23	Insurance	116,115			
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	TV Expenses	2,830,298			
b	Purse Expenses	29,841,397			
c	MEMBERSHIP DUES TO NTRA	400,000			
d	Credit Card Fees	135,610			
e	Direct Event Operations	1,506,638			
f	All other expenses	461,419			
25	Total functional expenses. Add lines 1 through 24f	47,645,997	0	0	
26	Joint Costs. Check ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		1
	2	Savings and temporary cash investments	8,641,105	2 1,214,234
	3	Pledges and grants receivable, net		3
	4	Accounts receivable, net	4,469,149	4 8,423,513
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6
	7	Notes and loans receivable, net		7
	8	Inventories for sale or use		8
	9	Prepaid expenses and deferred charges	327,435	9 111,250
	10a	Land, buildings, and equipment cost basis		
		10a 532,542		
	b	Less accumulated depreciation <i>Complete Part VI of Schedule D</i>		
		10b 235,847	104,826	10c 296,695
	11	Investments—publicly traded securities	27,363,148	11 13,847,380
	12	Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>	10,924,759	12 17,832,465
	13	Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13
14	Intangible assets	58,122	14 43,792	
15	Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	719,476	15 4,297,486	
16	Total assets. Add lines 1 through 15 (must equal line 34)	52,608,020	16 46,066,815	
Liabilities	17	Accounts payable and accrued expenses	7,282,069	17 6,165,739
	18	Grants payable		18
	19	Deferred revenue	561,484	19 540,450
	20	Tax-exempt bond liabilities		20
	21	Escrow account liability <i>Complete Part IV of Schedule D</i>		21
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22
	23	Secured mortgages and notes payable to unrelated third parties	0	23 5,979,229
	24	Unsecured notes and loans payable		24
	25	Other liabilities <i>Complete Part X of Schedule D</i>	473,218	25 307,062
	26	Total liabilities. Add lines 17 through 25	8,316,771	26 12,992,480
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27	Unrestricted net assets	44,226,249	27 33,009,335
	28	Temporarily restricted net assets	65,000	28 65,000
	29	Permanently restricted net assets		29
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30
	31	Paid-in or capital surplus, or land, building or equipment fund		31
	32	Retained earnings, endowment, accumulated income, or other funds		32
	33	Total net assets or fund balances	44,291,249	33 33,074,335
	34	Total liabilities and net assets/fund balances	52,608,020	34 46,066,815

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ cash ☒ accrual ☐ other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	No
b	Were the organization's financial statements audited by an independent accountant?	2b Yes	
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c Yes	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	No
b	If "Yes," did the organization undergo the required audit or audits?	3b	

SCHEDULE D

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► **Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Breeders' Cup Limited

Employer identification number

13-3082904

Part I

Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate Contributions to (during year)	
3	Aggregate Grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes☐ No	

Part II

Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or pleasure)☐ Preservation of an historically importantly land area☐ Protection of natural habitat☐ Preservation of certified historic structure☐ Preservation of open space

2

Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ►

4

Number of states where property subject to conservation easement is located ►

5

Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?

☐ Yes☐ No

6

Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ►

7

Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► \$

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes☐ No

9

In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization’s financial statements that describes the organization’s accounting for conservation easements

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a

If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1

► \$

(ii) Assets included in Form 990, Part X

► \$

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a

Revenues included in Form 990, Part VIII, line 1

► \$

b

Assets included in Form 990, Part X

► \$

For Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2008

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

Trust, Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain why in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance				
b	Contributions				
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i)

unrelated organizations

(ii)

related organizations

3a(i)

Yes

No

3a(ii)

3b

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4

Describe in Part XIV the intended uses of the organization's endowment funds

Part VI

Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		42,829	6,799	36,030
d Equipment		249,284	95,408	153,876
e Other		240,429	133,640	106,789
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				296,695

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests	2,500,000	C
Other U S Treasury and Agency Bonds	15,332,465	F
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)	17,832,465	

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Accrued Interest Receivable	175,951
NON-QUALIFIED PENSION INV	62,941
Supplies inventory	34,175
RECEIVABLE - BC CHARITIES	45,651
RECEIVABLE - BC PROPERTIES	3,978,768
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	4,297,486

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of Liability	(b) Amount
Federal Income Taxes	
Deferred Compensation Payable	307,062
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	307,062

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

Part XI

Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	

Part XIV

Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Identifier	Return Reference	Explanation

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Breeders' Cup Limited

Grants and Other Assistance to Organizations,
Governments and Individuals in the U.S.

Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22. Attach to Form 990.

OMB No 1545-0047

2008

Open to Public
Inspection

Employer identification number
13-3082904

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 if additional space is needed ☐

1(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
GRAYSON JOCKEY CLUB RESEARCH FOUNDATION INC821 CORPORATE DRIVE LEXINGTON, KY 40513	61-6031750	501(C)(3)	150,000				EQUINE RESEARCH

- 2

Enter total number of section 501(c)(3) and government organizations

1
- 3

Enter total number of other organizations

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e) Method of valuation (book, FMV , appraisal, other)	(f)Description of non-cash assistance

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.
See Additional Data Table

Identifier	Return Reference	Explanation
Procedures for Monitoring the use of grant funds	Schedule I, Part I, Line 2	GRANTS ARE APPROVED BY THE BOARD AND ARE CONSISTENT WITH THE BREEDERS' CUP LIMITED'S MISSION TO PROMOTE THE INTEGRITY OF THE THOROUGHBRED INDUSTRY GRAYSON JOCKEY CLUB RESEARCH FOUNDATION PROVIDES AN ANNUAL REPORT WITH A SUMMARY OF THE ORGANIZATION'S RESULTS AND ACCOMPLISHMENTS DURING THE YEAR AS WELL AS A FORECAST OF THE COMING YEARS PROJECTS AND OBJECTIVES

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

► Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Breeders' Cup Limited

Employer identification number
13-3082904

Part I

Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First class or charter travel ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)		
b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain		
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?		
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☒ Compensation committee ☒ Independent compensation consultant ☒ Form 990 of other organizations ☒ Written employment contract ☒ Compensation survey or study ☒ Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a		
a Receive a severance payment or change of control payment?	Yes	
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	Yes	
c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		No
501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.		
5 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a The organization?		
b Any related organization? If "Yes," to line 5a or 5b, describe in Part III		
6 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a The organization?		
b Any related organization? If "Yes," to line 6a or 6b, describe in Part III		
7 For persons listed in form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III		
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III		

Part II

Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Gregory C. Avioli	(i)	422,833	450,000	37,751	15,500	17,417	943,501	250,000
	(ii)	0					0	
Matthew Lutz	(i)	159,500	102,500	21,837	6,335	18,425	308,597	50,000
	(ii)	0					0	
Peter Land	(i)	330,900	175,000	25,100	27,750	20,075	578,825	
	(ii)							
Pam Blatz-Murff	(i)	202,025	50,500	22,987	15,577	14,321	305,410	
	(ii)							
Carter Carnegie	(i)	199,500	43,000	15,915	15,050	7,694	281,159	
	(ii)							
Peter Rotondo	(i)	127,821	21,000	12,350	9,797	1,678	172,646	
	(ii)							
DG Van Clief Jr	(i)	266,155					266,155	266,155
	(ii)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Schedule J (Form 990) 2008

Schedule L
(Form 990 or 990-EZ)

OMB No 1545-0047

2008

Open to Public Inspection

Transactions with Interested Persons

Name of the organization
Breeders' Cup Limited

Employer identification number
13-3082904

▶ Attach to Form 990 or Form 990-EZ.
▶ To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38b or 40b.

Part I

Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2

Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958

▶ \$

3

Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

▶ \$

Part II

Loans to and/or From Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No

Total▶ \$

Part III

Grants or Assistance Benefitting Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b)Relationship between interested person and the organization	(c)Amount of grant or type of assistance

Part IV

Business Transactions Involving Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
RELATED PARTY INFORMATION	SEE SCHEDULE O				No

SCHEDULE O

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

► **Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization Breeders' Cup Limited	Employer identification number 13-3082904
--	---

Identifier	Return Reference	Explanation
Classes of Members or Stockholders	Form 990, Part VI, Section A, Line 6	Six founding members contributed \$65,000 There is a single class of stock

Identifier	Return Reference	Explanation
Members or Stockholders electing members of governing body	Form 990, Part VI, Section A, Line 7a	There are 46 trustees Trustees have the right to change corporate by-law s and to elect the governing body

Identifier	Return Reference	Explanation
Decisions requiring approval by members or stock holders	Form 990, Part VI, Section A, Line 7b	DECISIONS REQUIRING APPROVAL BY MEMBERS INCLUDE ONLY CHANGES TO BY-LAWS

Identifier	Return Reference	Explanation
Review of Form 990 by Governing Body	Form 990, Part VI, Section A, Line 10	Review ed by senior Financial Managers, Finance & Audit Commtttee, and the governing body

Identifier	Return Reference	Explanation
Organization's process for enforcing compliance with Conflict of Interest	Form 990, Part VI, Section B, Line 12c	Conflict of Interest questionnaire is completed by each board member annually Potential conflicts are review ed by outside legal counsel to determine if additional follow-up and review is appropriate

Identifier	Return Reference	Explanation
Process used to establish compensation for top management official	Form 990, Part VI, Section B, Line 15a	THE COMPANY UTILIZES THIRD PARTY COMPENSATION SURVEY INFORMATION IN REVIEWING COMPENSATION FOR TOP MANAGEMENT A THIRD PARTY CONSULTANT WAS ENGAGED IN THE DESIGN OF THE COMPANY'S INCENTIVE COMPENSATION SYSTEM FOR 2008 THE COMPENSATION COMMITTEE REVIEWS THE COMPANY'S ANNUAL COMPENSATION BUDGET PRIOR TO THE REVIEW AND APPROVAL OF COMPENSATION BY THE BOARD OF DIRECTORS THE BOARD OF DIRECTORS REVIEWS AND APPROVES YEAR-END BONUSES FOR SENIOR MANAGERS ON AN INDIVIDUAL BASIS

Identifier	Return Reference	Explanation
Process used to establish compensation for other officers/key employees	Form 990, Part VI, Section B, Line 15b	A THIRD PARTY CONSULTANT WAS ENGAGED IN THE DESIGN OF THE COMPANY'S INCENTIVE COMPENSATION SY STEM FOR 2008 THE COMPENSATION COMMITTEE REVIEWS THE COMPANY'S ANNUAL COMPENSATION BUDGET PRIOR TO THE REVIEW AND APPROVAL OF COMPENSATION BY THE BOARD OF DIRECTORS THE COMPENSATION COMMITTEE REVIEWS YEAR-END BONUSES FOR ALL EMPLOYEES THE BOARD OF DIRECTORS REVIEWS AND APPROVES YEAR-END BONUSES FOR SENIOR MANAGERS ON AN INDIVIDUAL BASIS

Identifier	Return Reference	Explanation
Disclosure of governing documents, conflict of interest policy and finance	Form 990, Part VI, Section C, Line 19	Annual audited financials are published on company w eb page GOVERNING DOCUMENTS AND POLICIES ARE AVAILABLE FOR REVIEW UPON REQUEST AT THE ORGANIZATION'S CORPORATE OFFICE

Identifier	Return Reference	Explanation
BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS	FORM 990 SCHEDULE L PART IV	THE BOARD OF TRUSTEES AND DIRECTORS OF BREEDERS' CUP LIMITED CONSISTS PRIMARILY OF INDIVIDUALS INVOLVED IN MANY FACETS OF THE THOROUGHbred INDUSTRY , INCLUDING THE BREEDING AND RACING OF THOROUGHbred HORSES BREEDERS' CUP LIMITED'S TRUSTEES AND DIRECTORS MAY OWN HORSES DIRECTLY OR THROUGH PARTNERSHIPS THAT ARE ELIGIBLE FOR BREEDERS' CUP PURSES OR AWARDS CERTAIN TRUSTEES, DIRECTORS OR THEIR FARMS ARE MANAGERS WITH RESPECT TO CERTAIN STALLIONS AND FOALS THAT COLLECTIVELY GENERATE A MAJORITY OF THE STALLION AND FOAL NOMINATION FEES ON BEHALF OF BREEDERS' CUP LIMITED

Identifier	Return Reference	Explanation
AUDITED FINANCIAL STATEMENTS	FORM 990, PART IV, LINE 12 AND PART X, LINE 2B	THE ORGANIZATION'S FINANCIAL STATEMENTS WERE AUDITED IN ACCORDANCE WITH GAAP BY AN INDEPENDENT AUDITOR ON A CONSOLIDATED BASIS. THE ORGANIZATION ALSO HAS A COMMITTEE THAT ASSUMES THE RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT AUDITOR.

Identifier	Return Reference	Explanation
ORGANIZATIONS THAT MAY RECEIVE DEDUCTIBLE CONTRIBUTIONS	FORM 990, PART V, LINE 7G AND LINE 7H	THESE QUESTIONS DO NOT APPLY TO THE ORGANIZATION AND THEREFORE WERE INTENTIONALLY LEFT BLANK.

Identifier	Return Reference	Explanation
BUSINESS RELATIONSHIPS BETWEEN OFFICERS, DIRECTORS, OR KEY EMPLOYEES	FORM 990 PART VI LINE 2	THE BOARD OF TRUSTEES AND DIRECTORS OF BREEDERS' CUP LIMITED CONSISTS PRIMARILY OF INDIVIDUALS INVOLVED IN MANY FACETS OF THE THOROUGHBRED INDUSTRY, INCLUDING THE BREEDING AND RACING OF THOROUGHBRED HORSES. BREEDERS' CUP LIMITED'S TRUSTEES AND DIRECTORS MAY OWN HORSES DIRECTLY OR THROUGH PARTNERSHIPS THAT ARE ELIGIBLE FOR BREEDERS' CUP PURSES OR AWARDS. CERTAIN TRUSTEES, DIRECTORS OR THEIR FARMS ARE MANAGERS WITH RESPECT TO CERTAIN STALLIONS AND FOALS THAT COLLECTIVELY GENERATE A MAJORITY OF THE STALLION AND FOAL NOMINATION FEES ON BEHALF OF BREEDERS' CUP LIMITED.

Identifier	Return Reference	Explanation
PROCESS FOR REVIEWING FORM 990 PRIOR TO FILING	FORM 990 PART VI LINE 10	THE ORGANIZATION PROVIDES A COPY OF FORM 990 TO THE FINANCE AND AUDIT COMMITTEE AND TO THE BOARD OF DIRECTORS PRIOR TO THE FILING WITH THE INTERNAL REVENUE SERVICE.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2008

Open to Public Inspection

► Attach to Form 990. To be completed by organizations that answer "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
► See separate instructions.

Name of the organization
Breeders' Cup Limited

Employer identification number
13-3082904

Part I

Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II

Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
BREEDERS' CUP CHARITIES INC PO BOX 4230 LEXINGTON, KY40544 26-2782404	DONATIONS	DE	501(C)(3)	7	NA

Part III

Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income(related, investment, unrelated)	(F) Share of total income	(G) Share of end-of- year assets	(H) Disproporionate allocations?		(I) Code V—UBI amount on Box 20 of K-1	(J) General or managing partner?	
							Yes	No		Yes	No

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
BREEDERS' CUP PROPERTIES LLC 2525 HARRODSBURG ROAD LEXINGTON, KY40504 61-1348517	ADVERTISING	DE	NA	C	-1,270,156	1,850,503	100 %

Note. Complete line 1 if any entity is listed in Parts II, III or IV		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity		No
b	Gift, grant, or capital contribution to other organization(s)		No
c	Gift, grant, or capital contribution from other organization(s)		No
d	Loans or loan guarantees to or for other organization(s)	Yes	
e	Loans or loan guarantees by other organization(s)		No
f	Sale of assets to other organization(s)		No
g	Purchase of assets from other organization(s)		No
h	Exchange of assets		No
i	Lease of facilities, equipment, or other assets to other organization(s)		No
j	Lease of facilities, equipment, or other assets from other organization(s)		No
k	Performance of services or membership or fundraising solicitations for other organization(s)		No
l	Performance of services or membership or fundraising solicitations by other organization(s)		No
m	Sharing of facilities, equipment, mailing lists, or other assets	Yes	
n	Sharing of paid employees	Yes	
o	Reimbursement paid to other organization for expenses	Yes	
p	Reimbursement paid by other organization for expenses	Yes	
q	Other transfer of cash or property to other organization(s)	Yes	
r	Other transfer of cash or property from other organization(s)	Yes	

Schedule R (Form 990) 2008

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Additional Data

Software ID:
Software Version:
EIN: 13-3082904
Name: Breeders' Cup Limited

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Gregory C Avioli , President	40 0	X		X	X	X		910,584	0	32,917
William S Farish Jr , Director	2 0	X						0		
Antony Beck , Director	2 0	X						0		
Reynolds Bell Jr , Director	2 0	X						0		
Donald R Dizney , Director	2 0	X						0		
Tracy Farmer , Director	2 0	X						0		
Terrence Finley , Director	2 0	X						0		
R D Hubbard , Director	2 0	X						0		
G Watts Humphrey Jr , Director	2 0	X						0		
Robert T Manfuso , Director	2 0	X						0		
Satish K Sanan , Director	2 0	X						0		
DON M ROBINSON , Director	2 0	X						0		
Josephine Abercrombie , DIRECTOR	2 0	X						0		
Helen C Alexander , DIRECTOR	2 0	X						0		
Thomas Gaines , DIRECTOR	2 0	X						0		
L William Heiligbrodt , DIRECTOR	2 0	X						0		
Roy Jackson , DIRECTOR	2 0	X						0		
John T L Jones III , DIRECTOR	2 0	X						0		
Robert McNair , DIRECTOR	2 0	X						0		
J Michael O Farrell Jr , DIRECTOR	2 0	X						0		
Christopher Young , DIRECTOR	2 0	X						0		
Matthew Lutz , CFO	40 0			X	X	X		283,837	0	24,760
James A Philpott Jr , SECRETARY	2 0			X				0		
Peter Land , CMO	40 0				X	X		531,000		47,825
Pam Blatz-Murff , Senior VP , Racing	40 0				X	X		275,512		29,898
Carter Carnegie , Senior VP , Business Dev	40 0				X	X		258,415		22,744
Dora Delgado , Senior VP , Nominations	40 0				X	X		119,784		25,936
Peter Rotondo , VP , Media & Entertainment	40 0					X		161,171		11,475
Amy Lasky , VP , Customer Service	40 0					X		107,644		25,963
Tim Schram , Senior Director of Finance	40 0					X		108,934		13,309

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
DG Van Clief Jr , Former President	0 0						X	266,155		