

USA SPEEDWAY INC.
MINUTES OF INAUGURAL MEETING OF BOARD OF DIRECTORS
SUNDAY, APRIL 9, 2006 – PASADENA, CALIFORNIA

Directors present: Bill Cody, Ryan Evans, Paul Flanders, Brian Gaines, Gary Hicks, Dave Joiner, Rick Miller, Ken Saillant and Harald Zechner.

Directors absent: None.

Also present: Bill Amick, Executive Director.

Board packets were distributed and the meeting was called to order at 10:00 am by Mr. Amick, who thanked the directors for accepting their appointments as Founding Directors of USA Speedway Inc.

Recognition of USA Speedway as the AMA's exclusive Competition Affiliate for Speedway competition was recognized as a unique and historic opportunity for the American Speedway community to assume control of its destiny with the benefit of the sanctioning umbrella of the AMA and FIM. Mr. Saillant, as the AMA's representative on the Board, was thanked for the cooperation of the AMA in creating a Competition Affiliate agreement with USA Speedway.

This would be a formative meeting for USA Speedway, with an ambitious agenda that would require focus on broad issues rather than fine details. The Directors would face many challenges in the months and years to come.

The following draft Vision Statement for USA Speedway was presented:

"USA Speedway will unify and expand AMA-sanctioned Speedway racing, provide its members with unprecedented opportunity and elevate Speedway in America to its rightful place of prominence within the global motorsports community."

Each of the Directors was introduced and they explained their backgrounds, connections to American Speedway and hopes for USA Speedway.

Mr. Amick explained the protocol for the meeting and proposed that the Board adopt a procedure for a Consent Agenda at future meetings. This would allow the Board to review and approve routine Board business in advance of future meetings and free up time for more substantive issues.

Mr. Zechner moved that a procedure for a Consent Agenda be adopted for future Board meetings. Mr. Miller seconded the motion. The motion was unanimously approved.

As negotiations with the AMA for recognition of USA Speedway as its Speedway Competition Affiliate were not concluded until the end of February, timing of the organization's launch just before the 2006 season presented difficulties and challenges. One important issue was the matter of rules for 2006. After discussion, Mr. Hicks moved that the 2005 AMA Pro-Am Speedway Supplementary Regulations be adopted as the 2006 USA Speedway Rules of Competition, with the Executive Director authorized to make the necessary edits to update the text and reflect the governance of USA Speedway. Mr. Cody seconded the motion. The motion was unanimously approved.

Discussion of USA Speedway's Corporate Identity followed, and there was a general consensus that the association of USA Speedway with the AMA represents an important asset. The possibility of adopting the name AMA Speedway or AMA USA Speedway was discussed, and Mr. Amick explained that negotiations with the AMA had resulted in the title USA Speedway. It was noted that referencing the organization as USA Speedway: An AMA Affiliate would be appropriate.

Mr. Saillant moved that the draft USA Speedway logo be adopted and that artwork connecting that logo with the AMA Sports "attached" be developed for review. Mr. Joiner seconded the motion. The motion was unanimously approved.

A brief overview of Speedway tracks throughout the United States and their status as to sanctioning was presented.

It was noted that the present AMA/USA Speedway rules provide a minimum purse and purse breakdown for a traditional 1st-2nd-3rd Division Speedway program, but that there is no specific provision for Clubman or Amateur Speedway events. Mr. Amick asked the Board for its approval of efforts to develop Clubman/Amateur Speedway events to assist start-up promotions and promotions which are not geared toward 1st Division and spectators. The Board agreed with this initiative, and with the recommendation of Mr. Evans that amateur events and pro-am events paying reduced purses be monitored for meeting the spirit of the rules.

Mr. Gaines moved that USA Speedway work diligently to recruit Speedway tracks and promotions which are not presently AMA/USA Speedway-sanctioned by maintaining close communications and striving to provide needed services and support. Mr. Miller seconded the motion. The motion was unanimously approved.

Mr. Amick reported on a variety of projects undertaken in recent months and planned in the months to come. Included were the 2006 Team USA Speedway Testimonial held in Long Beach, California, in January; Team USA Speedway activities in 2006 FIM Championships; Team USA Speedway fund-raising; and preliminary plans for the 2007 USA Speedway National Awards Banquet and Testimonial.

The 2006 Team USA Speedway Testimonial had roughly covered expenses and sale of remaining inventories of Honoree Portraits would generate a profit to benefit AMA Team USA Speedway riders and teams in FIM Championship events. Several members of the Board provided suggestions on ways to sell the remaining inventories here and abroad.

Mr. Joiner moved that the Board endorse plans to build upon the well-received 2006 Team USA Speedway Testimonial in 2007 by incorporating a new USA Speedway National Awards Banquet. Mr. Zechner seconded the motion. The motion was unanimously approved. Tentative bookings are in place for the event to take place in Long Beach, California, on January 27-28, 2007.

Discussion was held on the nomenclature for Board members and elections and Mr. Flanders moved that the Board include "Industry" and "Enthusiast" Directors rather than "Corporate" and "Individual." Mr. Cody seconded the motion. The motion was unanimously approved.

A lengthy discussion followed on several aspects of the Draft Code of Regulations that was presented by Mr. Amick for Board review. In particular, the electoral process was reviewed.

With regard to election of Board officers, the Directors agreed that their internal elections be conducted as follows: 1. Directors are invited to declare their interest in an office and briefly present their platform. 2. Nominations are opened, with all candidates who receive a motion and second placed on the ballot provided they are willing to serve. 3. Discussion is welcomed. 4. The Executive Director conducts the elections by secret ballot.

With regard to provisions for removal of a Board of Director under Article VI, Section 8 of the Draft Code of Regulations, Mr. Evans moved that a vote for removal be by open vote rather than secret ballot. The motion was seconded by Mr. Hicks. The motion was unanimously approved.

With regard to the transition from a Founding Board appointed by the AMA to an elected Board, it was agreed that as announced the Board will transition into an elected Board beginning with elections held late in 2007. The nine-member Board will include four Industry Directors and four Enthusiast Directors, as well as one permanent seat for the AMA. The normal term of office will be four years.

Mr. Saillant moved that the Draft Code of Regulations be approved as amended. Mr. Joiner seconded the motion. The motion was unanimously approved.

With the Code of Regulations approved, Mr. Amick opened the USA Speedway Board of Director election process.

Mr. Evans, Mr. Joiner and Mr. Flanders were nominated for the Office of Chairman. Mr. Flanders declined the nomination. After discussion, Mr. Evans was elected as Chairman of USA Speedway and will serve in that capacity until the 2007 Annual Meeting tentatively scheduled for January 29, 2007.

Mr. Joiner and Mr. Zechner were nominated for the Office of Vice Chairman. After discussion, Mr. Joiner was elected as Vice Chairman of USA Speedway and will serve in that capacity until the 2007 Annual Meeting tentatively scheduled for January 29, 2007.

Mr. Hicks moved that Mr. Saillant be appointed as Treasurer. Mr. Miller seconded the motion. The motion was unanimously approved. Mr. Saillant will serve in that capacity until the 2007 Annual Meeting tentatively scheduled for January 29, 2007.

As the new Treasurer was a Director there was no need to elect or appoint an Assistant Treasurer.

Mr. Zechner moved that Mr. Amick be appointed as Secretary. Mr. Hicks seconded the motion. The motion was unanimously approved. Mr. Amick will serve in that capacity until the 2007 Annual Meeting tentatively scheduled for January 29, 2007.

Mr. Flanders moved that Mr. Zechner be appointed as Assistant Secretary. Mr. Cody seconded the motion. The motion was unanimously approved. Mr. Zechner will serve in that capacity until the 2007 Annual Meeting tentatively scheduled for January 29, 2007.

The Board made the following appointments to the Finance and Audit Committee: Mr. Saillant (chairman), Mr. Flanders and Mr. Gaines. They will serve in that capacity until the 2007 Annual Meeting tentatively scheduled for January 29, 2007.

After discussion of a slate of candidates presented to serve on the Rules Committee, the Board made the following appointments: Bill Amick (Chairman), Dave Brant, Richard Child, Bryan Galvin, Drew Gatewood, George Halyak, Joe Jones, Steve Lucero, Robert Mellor, George Rich, Ken Saillant (AMA Representative), Duane Yarrow.

In addition, elections will be held during 2006 to elect 3 rider representatives to the Rules Committee: 1 from the Northwest Region, 1 from the Southwest Region and 1 from the Central and Eastern Regions combined. All Competition Members of USA Speedway will be eligible to vote in the elections. The Executive Director will develop specific election procedures for approval by the Board.

Rules Committee members will serve in that capacity through the Rules Committee meeting tentatively scheduled for January 27, 2007.

Mr. Saillant moved that Mr. Amick be authorized to expand the Rules Committee by one member at his discretion and make an appointment for an individual to serve in that capacity until the Rules Committee meeting tentatively scheduled for January 27, 2007. Mr. Evans seconded the motion. The motion was unanimously approved.

After discussion, the Board unanimously agreed to the following USA Speedway membership structure and fee structure for 2006 and 2007:

2006 Competition Memberships: Available at an introductory 50% discount of \$15 through July 4, 2006. Enforcement of the requirement for all riders to hold a current and valid USA Speedway Membership will begin on July 5, 2006. As of July 5, 2006, the fee for 2006 Competition Memberships will be \$30.

2006 Supporter/Crew Memberships: Available at an introductory 40% discount of \$12 through July 4, 2006. Enforcement of the requirement for all crew members to hold a current and valid USA Speedway Membership (Competition or Supporter/Crew) will begin on July 5, 2006. As of July 5, 2006, the fee for 2006 Supporter/Crew Memberships will be \$20.

Founding Memberships: USA Speedway membership numbers 1-99 and a number of special benefits extending for three years will be reserved for Founding Members at a fee of \$200.

2006 Industry Members: Eligible companies may obtain USA Speedway Industry Memberships for a \$200 annual fee.

Several agenda items were referred to the Finance and Audit Committee and Chairman Evans for review:

1. Review of basic business model and draft budgets
2. Membership benefit package details
3. 2006 budget
4. USA Speedway staffing

The committee and Mr. Amick were asked to meet as soon as possible, either in person or by teleconference, and to report back to the full Board.

Mr. Gaines moved that the Chairman and two other directors, at least one an officer, be empowered to act on behalf of the Board in any emergency prior to the next meeting of the Board. Mr. Hicks seconded the motion. The motion was unanimously approved.

Under new business, Mr. Zechner reported that he had been contacted by several interested parties who were concerned about possible problems of nepotism related to family members acting as officials for races in which their relatives compete. Mr. Saillant moved that the Board refer the matter to the Rules Committee for discussion and possible recommendations or rules amendments. Mr. Evans seconded the motion. The Motion was unanimously approved.

Mr. Flanders was thanked by the Board for providing the facilities of Flanders Motorcycle Company as the venue for the first-ever meeting of the USA Speedway Board of Directors.

Mr. Gaines moved that the meeting be adjourned. Mr. Miller seconded the motion. The motion was unanimously approved and the meeting was adjourned at 7:30 pm.

Respectfully submitted,

Bill Amick, Secretary
April 10, 2006