

USA SPEEDWAY INC.
DRAFT MINUTES OF BOARD OF DIRECTORS MEETING
SUNDAY, OCTOBER 8, 2006 – ROCKLIN, CALIFORNIA

Directors Present: Bill Cody, Ryan Evans (Chairman), Dave Joiner (Vice-Chairman), Rick Miller, Ken Saillant (Treasurer) and Harald Zechner.

Directors Excused: Paul Flanders, Brian Gaines and Gary Hicks.

Also Present: Bill Amick, Executive Director.

Mr. Evans called the meeting to order at 10:10 am.

Dave Joiner moved and Bill Cody seconded that the Consent Agenda be approved in total, including the following items:

- a. Approval of April Board of Directors Meeting Minutes
- b. Approval of May Finance Committee Meeting Minutes
- c. Confirmation of the USA Speedway Code of Regulations
- d. Approval of revised USA Speedway logo

The motion was unanimously approved.

Mr. Evans gave the floor to Mr. Amick for verbal reports and discussion on the following projects and meetings:

- a. National Championship Series and Events
 - 2006 AMA USA Speedway National Championships: The series was highly competitive and included a return of AMA-sanctioned Speedway to Costa Mesa Speedway after an absence of 10 years. The series format will begin its 6th year in 2007 and scheduling will take place after this month's FIM Congress. Supplemental Regulations will be prepared this fall with particular attention paid to the Elimination Round, participation of Central/Eastern riders and possible fine-tuning of the qualifying process.
 - 2006 AMA USA Speedway Youth Nationals: The championship was hosted by Fast Fridays Speedway in conjunction with its Track Championship.
 - AMA USA Speedway National Sidecar Championships: Upcoming at Wheel2Wheel Raceway in Victorville, California.
 - AMA USA Speedway Under 21 National Championships: Negotiations are underway for an event in Southern California in December.

b. 2007 AMA USA Speedway National Awards Banquet & Testimonial: This second annual event will take place on January 27-28, 2007, on board the Queen Mary in Long Beach, California. The format will be similar to last year's inaugural event but will now feature USA Speedway's National Awards Banquet in addition to Honoree activities.

c. AMA Team USA Speedway: American riders participated in the FIM Under 21 World Championships (Skyler Greyson and Dario Galvin), the FIM Grand Prix Qualifying Series (Billy Janniro) and the Speedway World Cup where a team led by Captain Greg Hancock earned a No. 6 world ranking and an automatic seed to the 2007 Speedway World Cup. The high cost of participation was discussed, and despite subsidies from the North American Motorcycle Union these projects are very expensive for Team USA riders and teams. USA Speedway will seek opportunities to encourage a more affordable format for this championship via reduced travel demands and/or smaller teams.

d. Broadcast opportunities: MavTV filmed the 2006 National Championship Series and negotiation of details for a three-year broadcast package is in final stages among AMA, USA Speedway and MavTV. The board asked to be kept informed of developments and expressed support of the project as outlined.

e. Rider Representative Elections: This report was deferred to New Business as not all Board members had had an opportunity to review the election procedures and sample ballot.

f. British Speedway Promoters Association: Mr. Amick met with Terry Russell of the BSPA to discuss the AMA USA Speedway/BSPA Agreement for 2007. None of the parties are seeking changes to the agreement and it will remain essentially unchanged in 2007. Possible sale or exchange of BSPA and USA Speedway broadcasts was also discussed. Mr. Amick also met with Graham Reeve to discuss areas of mutual interest in youth speedway.

g. Canadian Motorcycle Association: Discussions have been initiated about possible projects of mutual interest.

h. USA Speedway Now! The association's electronic newsletter was launched in May and 12 issues have been distributed. Various improvements and refinements are planned. For the

immediate future, the newsletter will continue to be offered at no cost to anyone asking for a subscription as a marketing tool for USA Speedway memberships and programs.

Business and Financial Reports: The Treasurer, Mr. Saillant, reviewed the financial status of USA Speedway nearing the end of its first year in operation. Considering the late launch of the association and the deeply discounted memberships offered in 2006, financial performance was in line with expectations with a deficit projected. Mr. Saillant emphasized the importance of building the membership base of USA Speedway and Mr. Amick asked the Board members for their assistance in obtaining mailing lists and e-mail lists to assist in spreading the word about USA Speedway.

Memberships: Problems with a supplier and then a catastrophic loss of data due to a hard-drive failure have left delivery of membership materials far behind schedule. Mr. Amick apologized for the problems and after discussion with the board a mailing to all members with the following enclosures will be made on a priority basis:

- 2006 Membership cards, which will be honored through March of 2007
- Cover letter explaining the delay
- Proposal forms for submitting ideas for rule changes
- Ballot for Rider Representatives on the AMA USA Speedway Rules Committee
- Information on the 2007 AMA USA Speedway National Awards Banquet and Testimonial

Event Liability Insurance: Confirmation of good news for event promoters had just been received from the AMA. The cost of the \$1 million of liability insurance required by the AMA will be available from its new preferred provider at a substantially lower cost than in 2006. Some details remain to be announced and USA Speedway has requested clarification on several points.

The meeting adjourned at 1:05 pm and the Board of Directors went into Executive Session during a working lunch to discuss personnel issues.

The meeting resumed at 3 pm and Mr. Amick rejoined the meeting. Mr. Evans reported that the Board had considered the management agreement proposal that had been offered by Heartland Media and Events and recommended to the full Board by the Finance Committee. The full board proposed adjustments to the draft agreement and

tendered an offer to Mr. Amick to serve as Executive Director of USA Speedway. Mr. Amick accepted the offer as modified and the formal agreement was to be revised accordingly for execution. Mr. Amick, who had served as Interim Executive Director since April, thanked the Board for its confidence and all parties pledged their best efforts to make USA Speedway successful.

New Business: At Mr. Zechner's request, clarification of the roles of board and staff members was discussed. He emphasized the importance of enhanced communication and asked that more information be provided on a timely basis from the staff to the board.

Ken Saillant moved and Howie Zechner seconded that the Rider Rep election procedures and sample ballot provided by Mr. Amick be approved. The motion was passed unanimously. Three Rider Reps to the AMA USA Speedway Rules Committee will be elected this fall to two-year terms.

NOTE: THIS NEXT PARAGRAPH IS IN DRAFT FORM AND WILL BE CORRECTED AS NECESSARY TO REFLECT DECISIONS OF THE BOARD ON MY E-MAIL REGARDING BOARD APPROVAL OF INDUSTRY MEMBERSHIP APPLICATIONS.

The Board approved the Industry Membership applications of the following companies:

- American Speedway Coalition, Huntington Beach, CA
- Cody Racing Products, Garden Grove, CA
- Fast Fridays Motorcycle Speedway, Auburn, CA
- Gaines Financial Services, Indianapolis, IN
- Heartland Media and Events, Mt. Vernon, OH
- RAZ Video, Pasadena, CA

The rule-making process under USA Speedway was discussed and Mr. Amick outlined the following timeline.

- Rule proposal forms will be distributed to all members during the month of October
- Three Rider Reps will be elected to the Rules Committee this fall so that they can participate in the meeting scheduled January 27, 2007, in Long Beach
- The Board of Directors will review the proposals and recommendations made by the Rules Committee at its next scheduled meeting, January 29, 2007 in Long Beach
- Members will be notified of rule changes in *USA Speedway Now!* in early February

- A downloadable version of the rulebook will be available to members by March 1, 2007
- Printed copies of the 2007 AMA USA Speedway rule book will be mailed to all members in early March

Informal discussion of a number of projects and issues was also held.

Action between meetings: Mr. Saillant moved and Bill Cody seconded that the Chairman and two other members of the Board (at least one of them an officer) be empowered to act on behalf of the entire board if needed prior to the next regular meeting. The motion was passed unanimously.

The next meeting of the Board of Directors will be on Monday, January 29, in Long Beach, California. Mr. Amick suggested that an informal dinner be held on Sunday evening.

Ken Saillant moved and Rick Miller seconded that the meeting be adjourned. The motion was approved unanimously. Mr. Evans thanked everyone for their participation and adjourned the meeting at 4:35 pm.

Minutes submitted October 9, 2006
Bill Amick, Executive Director and Secretary