SPEEDWAY MOTORSPORTS INC

FORM DEFA14A

(Additional Proxy Soliciting Materials (definitive))

Filed 4/25/2002

Address	US HIGHWAY 29 NORTH PO BOX 600
	CONCORD, North Carolina 28026
Telephone	704-455-3239
CIK	0000934648
Industry	Recreational Activities
Sector	Services
Fiscal Year	12/31

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

[Amendment No. 1]

Filed by the Registrant: [X]
Filed by a Party other than the Registrant: [_]

Check the appropriate box:

[_] Preliminary Proxy Statement
[_] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
[X] Definitive Proxy Statement
[_] Definitive Additional Materials
[_] Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

SPEEDWAY MOTORSPORTS, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, If Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.
[_] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:_____

(2) Aggregate number of securities to which transaction applies:_____

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):_____

(4) Proposed maximum aggregate value of transaction:_____

(5) Total fee paid:_____

[_] Fee paid previously with preliminary materials.

[_] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid: _____

(2) Form, Schedule or Registration Statement no.: _____
(3) Filing Party: _____

(4) Date Filed: _____

[LOGO]
SPEEDWAY MOTORSPORTS, INC. TM

5555 Concord Parkway South
Concord, North Carolina 28027

March 27, 2002

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders to be held at 10:00 a.m. on May 9, 2002, at Lowe's Motor Speedway in Concord, North Carolina. We look forward to greeting personally those stockholders who are able to attend.

The accompanying formal Notice of Meeting and Proxy Statement describe the matters on which action will be taken at the meeting.

Whether or not you plan to attend the meeting on May 9, it is important that your shares be represented. To ensure that your vote is received and counted, please sign, date and mail the enclosed proxy at your earliest convenience. Your vote is important regardless of the number of shares you own.

On behalf of the Board of Directors

Sincerely,

/s/ Bruton Smith
O. BRUTON SMITH
Chairman and Chief Executive Officer

VOTING YOUR PROXY IS IMPORTANT

PLEASE SIGN AND DATE YOUR PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED ENVELOPE

SPEEDWAY MOTORSPORTS, INC.

NOTICE OF MEETING

Concord, NC
March 27, 2002

The Annual Meeting of Stockholders of Speedway Motorsports, Inc. ("SMI") will be held at Lowe's Motor Speedway, located at 5555 Concord Parkway South, Concord, North Carolina on May 9, 2002, at 10:00 a.m., for the following purposes as described in the accompanying Proxy Statement:

1. To elect three (3) directors.

2. To consider and vote upon a proposal to amend the SMI 1994 Stock Option Plan to increase the authorized number of shares of common stock issuable thereunder from 3,000,000 to 4,000,000.

3. To consider and vote upon a proposal to amend the SMI Formula Stock Option Plan to reduce the number of shares of common stock awarded annually to each independent director from 20,000 to 10,000.

4. To consider and vote upon a proposal to ratify the selection by the Board of Directors of Deloitte & Touche LLP as the principal independent auditors of SMI and its subsidiaries for the year 2002.

5. To transact such other business as may properly come before the meeting.

Only holders of record of SMI's common stock at the close of business on March 11, 2002 will be entitled to vote at the meeting.

Whether or not you plan to attend the meeting, you are urged to complete, sign, date and return the enclosed proxy promptly in the envelope provided. Returning your proxy does not deprive you of your right to attend the meeting and to vote your shares in person.

/s/ Marylaurel E. Wilks
MARYLAUREL E. WILKS
Secretary

Important Note: To vote shares of common stock at the Annual Meeting (other than in person at the meeting), a stockholder must return a proxy. The return envelope enclosed with the proxy card requires no postage if mailed in the United States of America.

SPEEDWAY MOTORSPORTS, INC.

PROXY STATEMENT

March 27, 2002

GENERAL

Introduction

The Annual Meeting of Stockholders of Speedway Motorsports, Inc. ("SMI") will be held on May 9, 2002 at 10:00 a.m., at Lowe's Motor Speedway, (the "Annual Meeting"), for the purposes set forth in the accompanying notice. SMI's principal executive offices are located at Lowe's Motor Speedway at 5555 Concord Parkway South, Concord, North Carolina, 28027. Only holders of record of common stock of SMI, par value $.01 per share, at the close of business on March 11, 2002 (the "Record Date") will be entitled to notice of, and to vote at, such meeting. This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of proxies to be used at such meeting, and at any and all adjournments thereof, and is first being sent to stockholders on or about the date hereof. Proxies in the accompanying form, properly executed and duly returned and not revoked, will be voted at the meeting (including adjournments). Where a specification is made by means of the ballot provided in the proxies regarding any matter presented at the Annual Meeting, such proxies will be voted in accordance with such specification. If no specification is made, proxies will be voted (i) in favor of electing SMI's three (3) nominees to the Board of Directors, (ii) in favor of amending the SMI 1994 Stock Option Plan (the "1994 Stock Option Plan"), (iii) in favor of amending the SMI Formula Stock Option Plan (the "Formula Plan"), and (iv) in favor of the selection of Deloitte & Touche LLP as the principal independent auditors of SMI for the year 2002.

Proxies should be sent to First Union Bank, Client Services Group, 1525 W.T. Harris Boulevard, Charlotte, North Carolina 28288-1153.

This Proxy Statement is being furnished by SMI to its stockholders of record as of March 11, 2002 in connection with the upcoming Annual Meeting.

Ownership of Capital Securities

The following table sets forth certain information regarding ownership of SMI's common stock as of March 11, 2002, by (i) each person or entity known to SMI and its subsidiaries (collectively, the "Company") who beneficially owns five percent or more of the common stock, (ii) each director and nominee to the Board of Directors of SMI, (iii) each executive officer of SMI (including the Chief Executive Officer), and (iv) all directors and executive officers of SMI as a group. Except as otherwise indicated below, each person named in the table has sole voting and investment power with respect to the securities beneficially owned by them as set forth opposite their name.

Beneficial Owner	Amount & Nature of Beneficial Ownership	Percent
O. Bruton Smith (1)(2)	29,000,000	64.9%
Sonic Financial Corporation (2)	23,700,000	53.1
H.A. "Humpy" Wheeler (3)(10)	505,900	1.1
William R. Brooks (4)(10)	311,000	*
Edwin R. Clark (5)(10)	103,400	*
William P. Benton (6)(11)	101,000	*
Mark M. Gambill (7)(11)	124,200	*
Jack F. Kemp (8)(11)	55,000	*
Robert L. Rewey (11)	--	*
Tom E. Smith (9)(11)	15,000	*
All directors and executive officers as a group (nine persons) (1)	30,215,500	67.6

* Less than one percent

(1) The shares of SMI's common stock shown as owned by such person include, without limitation, all of the shares shown as owned by Sonic Financial Corporation ("Sonic Financial") elsewhere in the table. Mr. O. Bruton Smith owns the substantial majority of Sonic Financial's common stock.

(2) The address of such person is P.O. Box 18747, Charlotte, North Carolina 28218.

(3) All the shares shown as owned by Mr. Wheeler, other than 10,400 shares owned by him directly, underlie options granted by the Company.

(4) All the shares shown as owned by Mr. Brooks, other than 1,000 shares owned by him directly, underlie options granted by the Company.

(5) All the shares shown as owned by Mr. Clark, other than 7,500 shares owned by him directly, underlie options granted by the Company.

(6) All the shares shown as owned by Mr. Benton, other than 1,000 shares owned by him directly, underlie options granted by the Company.

(7) All the shares shown as owned by Mr. Gambill, other than 4,200 shares owned by him directly, underlie options granted by the Company.

(8) All the shares shown as owned by Mr. Kemp underlie options granted by the Company.

(9) All the shares shown as owned by Mr. Tom Smith underlie options granted by the Company.

(10) All such options are currently exercisable except for 20,000 shares granted to Mr. Wheeler, 20,000 shares granted to Mr. Brooks, and 26,700 shares granted to Mr. Clark, and which, except for 6,700 shares granted to Mr. Clark, are subject to stockholder approval at the Annual Meeting of the proposed amendment to the 1994 Stock Option Plan.

(11) Amount does not include options to purchase 10,000 shares granted on January 2, 2002 that become exercisable on July 1, 2002. All other options are currently exercisable.

For additional information concerning options granted to the Company's executive officers, see "Executive Compensation" below.

Number of Shares Outstanding and Voting

SMI currently has authorized under its Certificate of Incorporation 200,000,000 shares of common stock, of which 41,881,270 shares are currently issued and outstanding and entitled to be voted at the Annual Meeting. At the meeting, holders of common stock will have one vote per share for an aggregate total of 41,881,270 votes. A quorum being present, directors will be elected by majority vote, and the actions proposed in the remaining items referred to in the accompanying Notice of Meeting, will become effective if a majority of the votes cast by shares entitled to vote is cast in favor thereof. Abstentions and broker non-votes will not be counted in determining the number of shares voted for any director-nominee or for any proposal.

A holder of common stock who signs a proxy card may withhold votes as to any director-nominee by writing the name of such nominee in the space provided on the proxy card.

Revocation of Proxy

Stockholders who execute proxies may revoke them at any time before they are exercised by delivering a written notice to Marylaurel E. Wilks, the Secretary of SMI, either at the Annual Meeting or prior to the meeting date at the Company's offices at 5555 Concord Parkway South, Concord, North Carolina, 28027, by executing and delivering a later-dated proxy, or by attending the meeting and voting in person.

Expenses of Solicitation

The Company will pay the cost of solicitation of proxies, including the cost of assembling and mailing this Proxy Statement and the enclosed materials. In addition to mailings, proxies may be solicited personally, by telephone or electronically, or by corporate officers and employees of the Company without additional compensation. The Company intends to request brokers and banks holding stock in their names or in the names of nominees to solicit proxies from customers owning such stock, where applicable, and will reimburse them for their reasonable expenses of mailing proxy materials to customers.

2003 Stockholder Proposals

In order for stockholder proposals intended to be presented at the 2003 Annual Meeting of Stockholders to be eligible for inclusion in the Company's proxy statement and the form of proxy for such meeting, they must be received by the Company at its principal offices in Concord, North Carolina no later than November 22, 2002. Regarding stockholder proposals intended to be presented at the 2003 Annual Meeting but not included in SMI's proxy statement, stockholders must give SMI advance notice of their proposals in order to be considered timely under SMI's bylaws. The bylaws state that written notice of such proposals must be delivered to the principal executive office of SMI (i) in the case of an annual meeting that occurs within 30 days of the anniversary of the 2002 Annual Meeting, not less than 60 days nor more than 90 days prior to such anniversary date, and (ii) in the case of an annual meeting that is called for a date that is not within 30 days before or after the anniversary date that occurs more than 30 days from the anniversary date of the 2002 Annual Meeting, or in the case of a special meeting of stockholders called for the purpose of electing directors, not later than the close of business on the tenth day following the day on which notice of the date of the meeting was mailed or public disclosure of the date of the meeting was made, whichever occurs first. All such proposals for which timely notice is not received in the manner described above will be ruled out of order at the meeting resulting in the proposal's underlying business not being eligible for transaction at the meeting.

ELECTION OF DIRECTORS

Nominees for Election as Directors of SMI

Directors of SMI are elected at its Annual Meetings of Stockholders to serve staggered terms of three years and until their successors are elected and qualified. The Board of Directors of SMI currently consists of nine (9) directors, three of whom must be elected at the 2002 Annual Meeting. The terms of Messrs. William R. Brooks, Mark M. Gambill and Jack F. Kemp expire at the 2002 Annual Meeting; the terms of Messrs. H.A. "Humpy" Wheeler, Edwin R. Clark and Tom E. Smith expire at the 2003 Annual Meeting; and the terms of Messrs. O. Bruton Smith, William P. Benton and Robert L. Rewey expire at the 2004 Annual Meeting. Messrs. William R. Brooks, Mark M. Gambill and Jack F. Kemp are standing for reelection at the 2002 Annual Meeting.

It is intended that the proxies in the accompanying form will be voted at the meeting for the election to the Board of Directors of the following nominees, each of whom has consented to serve if elected: Messrs. William R. Brooks, Mark M. Gambill and Jack F. Kemp, each to serve a three year term until the 2005 Annual Meeting and until his successor shall be elected and shall qualify, except as otherwise provided in SMI's Certificate of Incorporation and Bylaws. Each of the nominees are presently directors of SMI. If for any reason any nominee named above is not a candidate when the election occurs, it is intended that proxies in the accompanying form will be voted for the election of the other nominees named above and may be voted for any substitute nominee or, in lieu thereof, the Board of Directors may reduce the number of directors in accordance with SMI's Certificate of Incorporation and Bylaws.

The name, age, present principal occupation or employment and the material occupations, positions, offices or employments for the past five years of each SMI director, director-nominee, executive officer and executive manager are set forth below.

O. Bruton Smith, 75, has been the Chairman and Chief Executive Officer of SMI since its organization in December 1994. Mr. Smith has served as the CEO and a director of Charlotte Motor Speedway, LLC, a wholly-owned subsidiary of SMI, and its predecessor entities ("CMS") since 1975, which he originally founded in 1959. Mr. Smith has been the Chairman and CEO of Atlanta Motor Speedway, Inc. ("AMS") since its acquisition in 1990, Texas Motor Speedway, Inc. ("TMS") since its formation in 1995, Bristol Motor Speedway, Inc. ("BMS") since its acquisition in January 1996, Sears Point Raceway, LLC ("SPR") since its acquisition in November 1996, and the subsidiary operating Las Vegas Motor Speedway ("LVMS") since its acquisition in December 1998. In addition, Mr. Smith serves as the CEO and a director, or in a similar capacity, for many of SMI's other subsidiaries. Mr. Smith also is the Chairman, CEO, a director and controlling stockholder of Sonic Automotive, Inc. ("SAI"), (NYSE: symbol SAH), and serves as an officer or director of most of SAI's operating subsidiaries. SAI is believed to be one of the ten largest automobile retail dealership groups in the United States and is engaged in the acquisition and operation of automobile dealerships. Mr. Smith also owns and operates Sonic Financial, a private business he controls, among other private businesses.

H.A. "Humpy" Wheeler, 63, has been the President, Chief Operating Officer and a director of SMI since its organization in 1994. Mr. Wheeler was hired by CMS in 1975 and has been a director and General Manager of CMS since 1976. Mr. Wheeler was named President of CMS in 1980 and became a director of AMS upon its acquisition in 1990. He also has served as Vice President and a director of BMS since its acquisition and TMS since its formation. Mr. Wheeler also serves as an officer and director of several other SMI subsidiaries.

William R. Brooks, 52, has been Vice President, Treasurer, Chief Financial Officer and a director of SMI since its organization in December 1994. Mr. Brooks joined Sonic Financial from PriceWaterhouseCoopers in 1983, and has served as Vice President of CMS since before the organization of SMI, and has been Vice President and a director of AMS since its acquisition, and TMS since its formation. He has served as Vice President of BMS, LVMS and SPR since their acquisition, and, prior to January 2001, had been a director of LVMS and SPR. Mr. Brooks has been the President and a director of Speedway Holdings, Inc., SMI's financing

subsidiary, and its predecessor entities since 1995. In addition, Mr. Brooks serves as an officer and a director, or in a similar capacity, for many of SMI's other subsidiaries. Mr. Brooks also has served as a director of SAI since its formation in 1997 and served as its Chief Financial Officer from February to April 1997.

Edwin R. Clark, 47, became Vice President and General Manager of AMS in 1992 and was promoted to President and General Manager of AMS in 1995. Prior to that appointment, he had been CMS Vice President of Events since 1981. Mr. Clark became Executive Vice President of SMI upon its organization in December 1994, and has been a director of SMI since 1995.

William P. Benton, 78, became a director of SMI in 1995. Since January 1997, Mr. Benton has been the Executive Director of Ogilvy & Mather, a world-wide advertising agency. He retired from Ogilvy & Mather in January 2002. He also serves on the Board of Directors of Allied Holdings, Inc. Prior to his appointment at Ogilvy & Mather, Mr. Benton served as Vice Chairman of Wells, Rich, Greene/BDDP Inc., an advertising agency with offices in New York and Detroit. Mr. Benton retired from Ford Motor Company as its Vice President of Marketing Worldwide in 1984 after a 37-year career with that company. In addition, Mr. Benton serves as a director of SAI.

Mark M. Gambill, 51, became a director of SMI in 1995. Mr. Gambill began his career at Wheat First Securities in 1972, where he built and managed a number of areas in Capital Markets, including fixed income, equities, and investment banking. In 1996, he became President of Wheat First Butcher Singer. In February 1998, Wheat First Butcher Singer was sold to First Union Corporation and Mr. Gambill became President of Wheat First Union. Mr. Gambill left First Union in 1999 to devote more time to family and personal interests. He is currently Managing Member of McKenzie Holdings, a family owned investment and advisory company. In addition, he serves as a director of the Noland Company and NTC Communications.

Jack F. Kemp, 66, became a director of SMI in 1999. Mr. Kemp is co-director of Empower America, a public policy advocacy organization founded in 1993. Prior to Empower America, Mr. Kemp served for four years as Secretary of Housing and Urban Development and was a New York representative to the United States House of Representatives. He served for seven years as Chairman of the House Republican Conference after a 13-year career as a professional football quarterback with the San Diego Chargers and the Buffalo Bills. In addition, he serves as a director of the Hawk Corporation, IDT Ventures, ING Americas and Oracle Corporation.

Robert L. Rewey, 63, became a director of SMI in 2001. Mr. Rewey recently retired from Ford Motor Company after a distinguished 38-year career with Ford, most recently serving as Senior Executive Vice President of North American Operations & Global Consumer Services Group. Mr. Rewey managed numerous areas within Ford since 1963, also serving as Vice President of Sales, Marketing and Customer Service. Mr. Rewey also serves as a director of SAI and LoJack Corporation.

Tom E. Smith, 60, became a director of SMI in 2001. Mr. Smith retired from Food Lion Stores, Inc. in 1999, after a distinguished 29-year career with that company, including serving as its Chief Executive Officer and President. A native of Salisbury, North Carolina, Mr. Smith serves as a director of CT Communications, Inc. and Farmer and Merchants Bank.

M. Jeffrey Byrd, 50, has served as Vice President and General Manager of BMS since its acquisition in 1996. Prior to working at BMS, Mr. Byrd had been continuously employed by RJR Nabisco for 23 years in various sports marketing positions, most recently as Vice President of business development for its Sports Marketing Enterprises affiliate.

William E. Gossage, 40, became Vice President and General Manager of TMS in 1995. Before that appointment, he was Vice President of Public Relations at CMS from 1989 to 1995. Mr. Gossage previously worked with Miller Brewing Company in its motorsports public relations program and served in various public relations and managerial capacities at two other NASCAR-sanctioned speedways.

Stephen Page, 47, has served as President and General Manager of SPR since its acquisition in 1996. Prior to being hired by SMI, Mr. Page had been continuously employed for several years as President of Brenda Raceway Corporation, which owned and operated SPR before its acquisition by the Company. Mr. Page also spent eleven years working for the Oakland A's baseball franchise in various marketing positions.

R. Christopher Powell, 42, has served as Executive Vice President and General Manager of LVMS since its acquisition in 1998, and became President of LVMS in January 2001. Mr. Powell also serves as Vice President of several other SMI subsidiaries, including Speedway Holdings. Mr. Powell spent eleven years working for Sports Marketing Enterprises, a division of R. J. Reynolds Tobacco Co. ("RJR"). Since 1994, he served as manager of media relations and publicity on the NASCAR Winston Cup program. Mr. Powell's previous duties include publicity and event operations on other RJR initiatives, including NHRA Drag Racing and the Vantage and Nabisco golf sponsorships.

Committees of the Board of Directors and Meetings

There are two standing committees of the Board of Directors of SMI, the Audit Committee and the Compensation Committee. The Audit Committee currently consists of Messrs. William P. Benton, Mark M. Gambill and Tom E. Smith. Audit Committee members are independent as defined by the applicable listing standards of the New York Stock Exchange. In March 2001, Mr. Tom E. Smith was appointed to the Audit Committee. The Compensation Committee is comprised of Messrs. William P. Benton, Mark M. Gambill and O. Bruton Smith.

Audit Committee. The Audit Committee, which held six meetings in 2001, recommends the appointment of the Company's independent auditors, determines the scope of the annual audit to be made, reviews the conclusions of the auditors and reports the findings and recommendations thereof to the Board of Directors, reviews with the Company's auditors the adequacy of the Company's system of internal control and procedures and the role of management in connection therewith, reviews transactions between the Company and its officers, directors and principal stockholders, and performs such other functions and exercises such other powers as the Board of Directors from time to time may determine.

The following is the Audit Committee Report for the year ended December 31, 2001.

Audit Committee Report

In accordance with its written charter adopted in 2000 by the Company's Board of Directors (the "Board"), the Audit Committee of the Board (the "Audit Committee") assists the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing and financial reporting practices of the Company. During fiscal 2001, the Audit Committee met six times, and the Audit Committee chair, as representative of the Audit Committee, discussed the interim financial information contained in each quarterly earnings announcement with the Company's Chief Financial Officer and independent auditors prior to public release.

In discharging its oversight responsibility as to the audit process, the Audit Committee obtained from the independent auditors a formal written statement describing all relationships between the auditors and the Company that might bear on the auditors' independence consistent with Independence Standards Board No. 1, "Independence Discussions with Audit Committees," discussed with the auditors any relationships that might impact their objectivity and independence and satisfied itself as to the auditors' independence. The Audit Committee also discussed with management and the independent auditors the quality and adequacy of the Company's internal controls. The Audit Committee reviewed with the independent auditors their audit plans, audit scope, and identification of audit risks.

The Audit Committee discussed and reviewed with the independent auditors all communications required by generally accepted auditing standards, including those described in Statement on Auditing Standards No. 61, as amended, "Communication with Audit Committees", with and without management present, discussed and reviewed the results of the independent auditors' examination of the Company's financial statements, and reviewed the audited financial statements of the Company as of and for the year ended December 31, 2001 with management and the independent auditors.

Management is responsible for the Company's financial reporting process including its system of internal control, and for the preparation of consolidated financial statements in accordance with generally accepted accounting principles. The Company's independent auditors are responsible for auditing those financial statements. The Audit Committee's responsibility is to monitor and review these processes. It is not the Audit Committee's duty or responsibility to conduct auditing or accounting reviews or procedures. The members of the Audit Committee are not employees of the Company and they may or may not be experts in the fields of accounting or auditing. Therefore, the Audit Committee has relied, without independent verification, on (a) management's representation that the financial statements have been prepared with integrity and objectivity and in conformity with accounting principles generally accepted in the United States of America and (b) the representations of the independent auditors appearing in the auditors' report on the Company's financial statements. The Audit Committee's oversight does not provide the Audit Committee with an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or policies, or appropriate internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations.

Based on the above-mentioned review and discussions with management and the independent auditors, the Audit Committee recommended to the Board that the Company's audited financial statements be included in the Annual Report on Form 10-K for the fiscal year ended December 31, 2001, for filing with the Securities and Exchange Commission. The Audit Committee also recommended the reappointment, subject to stockholder approval, of the independent auditors and the Board concurred with such recommendation.

Audit Committee

Mark M. Gambill, Chairman
William P. Benton
Tom E. Smith

Compensation Committee. The Compensation Committee, which held one meeting in 2001, administers certain compensation and employee benefit plans of the Company, annually reviews and determines executive officer compensation, including annual salaries, bonus performance goals, bonus plan allocations, stock option grants and other benefits, direct and indirect, of all executive officers and other senior officers of the Company. The Compensation Committee administers the 1994 Stock Option Plan and the Employee Stock Purchase Plan, and periodically reviews the Company's executive compensation programs and takes action to modify programs that yield payments or benefits not closely related to Company or executive performance. The policy of the Compensation Committee's program for executive officers is to link pay to business strategy and performance in a manner which is effective in attracting, retaining and rewarding key executives while also providing performance incentives and awarding equity-based compensation to align the long-term interests of executive officers with those of Company stockholders. It is the Compensation Committee's objective to offer salaries and incentive performance pay opportunities that are competitive in the marketplace.

The Company currently has no standing nominating committee.

During 2001, there were seven meetings of the Board of Directors of SMI, with all directors except Mr. Kemp attending at least 75% of all meetings, and Mr. Kemp attending a majority of all meetings (and, as applicable, committees thereof).

PROPOSED AMENDMENT TO THE 1994 STOCK OPTION PLAN

The Board of Directors of SMI has approved, as in the interests of the Company and its stockholders, one amendment to the 1994 Stock Option Plan, subject to stockholder approval. This amendment requires stockholder approval under the terms of the 1994 Stock Option Plan and is being submitted to our stockholders for their approval at the Annual Meeting. The proposed amendment is to increase the authorized number of shares of SMI's common stock issuable under the 1994 Stock Option Plan from 3,000,000 to 4,000,000 (the "1994 Stock Option Plan Amendment"). The 1994 Stock Option Plan Amendment is being proposed to allow future grants to key employees for the remaining term of the 1994 Stock Option Plan, which expires in December 2004, and to provide performance incentives to such employees. No other amendment to the 1994 Stock Option Plan is proposed.

Summary Description of 1994 Stock Option Plan. The following is a summary of the 1994 Stock Option Plan, as amended, and is qualified in its entirety by reference to the plan document, a copy of which has been submitted with this Proxy Statement to the Securities and Exchange Commission (the "SEC"). In December 1994, the Board of Directors and stockholders of SMI adopted the 1994 Stock Option Plan in order to attract and retain key personnel. Under the 1994 Stock Option Plan, without giving effect to the proposed 1994 Stock Option Plan Amendment, options to purchase up to a total of 3,000,000 shares of common stock may be granted to key employees of SMI and its subsidiaries and to officers, directors, consultants and other individuals providing services to the Company. The number of shares of common stock reserved for issuance under the 1994 Stock Option Plan is subject to adjustment in the event of certain changes in the capital stock of SMI due to a stock split, stock dividend, reorganization, merger or similar event. No member of the Board of Directors who serves on the Compensation Committee is eligible to participate in the 1994 Stock Option Plan. Approximately 640 present employees, officers and directors of the Company, with the exception of the three directors presently serving on the Compensation Committee, could be eligible to participate in the 1994 Stock Option Plan. As of the date of this Proxy Statement, there are 236 participants under the 1994 Stock Option Plan.

The Compensation Committee administers the 1994 Stock Option Plan and determines, among other things, the persons who are to receive options, the number of shares to be subject to each option, the option period, the option exercise price, the vesting schedule of options and whether to cause the Company to make loans to enable an optionee to pay the exercise price of an option. In selecting individuals for options and determining the terms thereof, the Compensation Committee may consider any factors it considers relevant, including present and potential contributions to the success of the Company.

Options granted under the 1994 Stock Option Plan must be exercised within a period fixed by the Compensation Committee, which period may not exceed ten years from the date of option grant or, in the case of incentive stock options ("ISO's") granted to any holder on the date of grant of more than ten percent of the total combined voting power of all classes of stock of the Company, five years from the date of grant of the option. Options may be made exercisable in whole or in installments, as determined by the Compensation Committee. Options may expire before the end of the option period due to termination of service with the Company.

Options may not be transferred other than by will or the laws of descent and distribution and during the lifetime of an optionee may be exercised only by the optionee. The exercise price of options that are not ISO's will be determined at the discretion of the Compensation Committee. The exercise price of ISO's may not be less than the market value of the common stock on the date of option grant. In the case of ISO's granted to any holder on the date of grant of more than ten percent of the total combined voting power of all classes of stock of SMI and its subsidiaries, the exercise price may not be less than 110% of the market value per share of the common stock on the date of grant. Unless designated as "incentive stock options" intended to qualify under
Section 422 of the Internal Revenue Code of 1986, as amended, options granted under the 1994 Stock Option Plan are intended to be nonstatutory stock options ("NSO's"). The exercise price may be paid in cash, in shares of common stock owned by the optionee, in NSO's granted under the 1994 Stock Option Plan (except that the exercise price of an ISO may not be paid in NSO's or in any combination of cash, shares and options.

Options granted under the 1994 Stock Option Plan may include the right to acquire a "reload" option. In such a case, if a participant pays all or part of the exercise price of an option with shares of common stock held by the participant for at least six months, then, upon exercise of the option, the participant is granted a second option to purchase, at the fair market value as of the date of grant of the second option, the number of whole shares used by the participant in payment of the exercise price of the first option. A reload option is not exercisable until one year after the grant date of such option or the expiration date of the first option.

The 1994 Stock Option Plan provides that, in the event of changes in the corporate structure of the Company or certain events affecting the common stock, the Compensation Committee, or the Board of Directors in the case of options granted to directors, may, in its discretion, make adjustments in the number and kind of shares covered by outstanding options or in the exercise price per share, or both. It further provides that, in connection with any merger or consolidation in which the Company is not the surviving corporation or any sale or transfer by the Company of all or substantially all its assets or any tender offer or exchange offer for or the acquisition, directly or indirectly, by any person or group of all or a majority of the then-outstanding voting securities of the Company, all outstanding options under the 1994 Stock Option Plan will become exercisable in full on and after (i) 15 days prior to the effective date of such merger, consolidation, sale, transfer or acquisition or (ii) the date of commencement of such tender offer or exchange offer, as the case may be.

The Board of Directors of SMI may at any time amend or terminate the 1994 Stock Option Plan subject to the following: (i) no amendment or termination may, without an optionee's consent, adversely affect the optionee's rights under any option then outstanding, and (ii) requisite stockholder approval is required for an amendment increasing the maximum number of shares for which options may be granted under the 1994 Stock Option Plan, changing the minimum option price, extending the period during which options can be granted or exercised, or changing the requirements as to the class of employees eligible to receive options. Unless earlier terminated by the Board of Directors, the 1994 Stock Option Plan will terminate on December 21, 2004

The Compensation Committee in 2001 granted options to purchase an aggregate of 445,000 shares of common stock under the 1994 Stock Option Plan to executive officers, non-executive officer directors and non-executive employees of the Company. Of the options granted in 2001, options to purchase 167,000 shares of common stock were granted subject to stockholder approval of the 1994 Stock Option Plan Amendment at the Annual Meeting. At present, without giving effect to the proposed 1994 Stock Option Plan Amendment, options representing a total of approximately 2,523,000 shares are outstanding, and presently no options for additional shares are available for future grant. There has been no decision with respect to the number or terms of options that may be granted following stockholder approval of the 1994 Stock Option Plan Amendment or the number or identity of future optionees under the 1994 Stock Option Plan. Set forth below is information with respect to those options granted in 2001. No options have been granted to date in 2002 under the 1994 Stock Option Plan.

NEW PLAN BENEFITS
1994 STOCK OPTION PLAN

Name and Position	Dollar Value ($)	Number of Units (#)
O. Bruton Smith Chairman and Chief Executive Officer of SMI.....	--	--
H.A. "Humpy" Wheeler President and Chief Operating Officer of SMI; President and General Manager of CMS.....	(1)	20,000(2)
William R. Brooks Vice President, Treasurer and Chief Financial Officer of SMI.....	(1)	20,000(2)
Edwin R. Clark Executive Vice President of SMI; President and General Manager of AMS.....	(1)	20,000(2)
All current executive officers as a group.....	(1)	60,000(2)
All current non-executive officer directors as a group	(1)	15,000
All current non-executive officer employees as a group	(1)	370,000(2)

(1) All options granted in 2001 have an exercise price of $18.85 per share except for options to purchase 15,000 shares of common stock granted to a non-executive officer director, which have an exercise price of $23.21 per share. All options granted in 2001 have a ten-year term and are subject to earlier termination as described above. The dollar value of each of the options granted is not determinable due to fluctuating market prices. As of March 11, 2002, SMI's common stock had a closing price of $24.83 per share.

(2) Of the options granted in 2001, options to purchase 60,000 and 107,000 shares of common stock granted to executive officers and non-executive officer employees, respectively, were granted subject to stockholder approval of the 1994 Stock Option Plan Amendment at the Annual Meeting.

Federal Income Tax Consequences. The following summary generally describes the federal income tax consequences to optionees and the Company and is based on current laws and regulations. The summary is general in nature and is not intended to cover all tax consequences that could apply to a particular person or the Company.

The issuance and exercise of ISO's has no federal income tax consequences to the Company. While the issuance and exercise of ISO's generally have no ordinary income tax consequences to the holder, upon the exercise of an ISO, the holder will treat the excess of the fair market value on the date of exercise over the exercise price as an item of tax adjustment for alternative minimum tax purposes which may result in alternative minimum tax liability. If the holder of shares of common stock acquired upon the exercise of an ISO under the 1994 Stock Option Plan holds such shares until a date which is more than two years following the grant date of the ISO and one year following the exercise date of the ISO, the disposition of such shares of common stock will ordinarily result in capital gains or losses to the holder for federal income tax purposes equal to the difference between the amount received on disposition of the shares of common stock and the ISO exercise price. If the holding period requirements described above are not met, the holder will recognize ordinary income for federal tax purposes upon disposition of the common stock in an amount equal to the lesser of (i) the excess of the common stock's fair market value on the date of exercise over the ISO exercise price and (ii) the excess of the amount realized on disposition of the common stock over the ISO exercise price. Any additional gain (or loss) realized on the disposition of the common stock will be taxed as capital gain or loss. The Company will be entitled to a compensation expense deduction for the Company's taxable year in which the disposition occurs equal to the amount of ordinary income recognized by the holder.

The issuance of NSO's has no federal income tax consequences to the Company or the holder. Upon the exercise of an NSO, NSO holders will recognize income for federal income tax purposes at the time of option exercise equal to the amount by which the fair market value of the underlying shares on the date of exercise exceeds the NSO exercise price. However, holders who are officers or directors of the Company or more than 10% beneficial owners of common stock or who are otherwise deemed to be affiliates of the Company and therefore subject to liability under Section 16(b) of the Securities Exchange Act of 1934, as amended, ("16(b) Optionees") are not deemed to recognize the ordinary income attributable to exercise until the occurrence of both (i) an exercise and (ii) the earlier of (a) the expiration of six months after the date of grant of the NSO and (b) the first day on which the sale of the shares of common stock at a profit will not subject the holder to Section 16 liability (the "Recognition Date"), which may be coincident with the exercise date. The amount of ordinary income to be recognized by 16(b) Optionees will equal the excess of the fair market value on the Recognition Date of the shares of common stock so purchased over the NSO exercise price, unless the 16(b) Optionee files a written election with both the Internal Revenue Service and the Company pursuant to Section 83(b) of the Code within thirty days after exercise to have the ordinary income attributable to exercise realized as of the exercise date, in which case the
16(b) Optionee will recognize ordinary income equal to the amount by which the fair market value of the purchased shares on the date of exercise exceeds the NSO exercise price. The Company generally will be allowed a federal income tax deduction equal to the same amount that the holder recognizes as ordinary income. In the event of the disposition of the shares of common stock acquired upon exercise of an NSO, any additional gain (or loss) generally will be taxed to the holder as capital gain or loss.

PROPOSED AMENDMENT TO THE FORMULA PLAN

The Board of Directors of SMI has approved, as in the interests of the Company and its stockholders, one amendment to the Formula Plan, subject to stockholder approval. This amendment requires stockholder approval and is being presented to our stockholders for their approval at the Annual Meeting. The proposed amendment is to reduce the number of shares of common stock awarded annually to each independent director from 20,000 to 10,000 (the "Formula Plan Amendment"). The Formula Plan Amendment is being proposed to allow future grants to the directors of SMI who are not full-time employees of the Company ("Independent Directors") and to adjust the size of awards to comport with current trading levels for SMI's common stock. The Formula Plan was initially adopted in 1996, and since that time, the Board of Directors has determined that a reduced annual award of common stock to the Independent Directors would be appropriate given historical and current market prices for the common stock. The Formula Plan Amendment will have no effect on outstanding options granted under the Formula Plan before January 2002, and if approved by the Company's stockholders at the Annual Meeting, will apply to options granted under the Formula Plan on and after January 1, 2002. The Formula Plan Amendment is expected by the Company to increase the life of the Formula Plan. No other amendment to the Formula Plan is proposed.

Summary Description of Formula Plan. The following is a summary of the Formula Plan, as amended, and is qualified in its entirety by reference to the plan document, a copy of which has been submitted with this Proxy Statement to the SEC. The Formula Plan was adopted by the Board of Directors as of January 1, 1996 and subsequently approved by the Company's stockholders on May 8, 1996. The Formula Plan will terminate when all shares of common stock reserved for issuance have been acquired upon exercise of the options granted thereunder or on such earlier date as the Board of Directors may determine.

The Formula Plan is intended to promote the interests of the Company and its stockholders by providing the Independent Directors, who are responsible in part for the Company's growth and financial success, with the incentives inherent in common stock ownership and encouraging them to continue as directors. A committee of the Board of Directors consisting of all directors other than the Independent Directors (the "Committee") serves as the committee to administer and interpret the terms of the Formula Plan on behalf of the Company.

Under the Formula Plan, without giving effect to the proposed Formula Plan Amendment, on or before January 31 of each year during the term of the Formula Plan, each person who is then an Independent Director is awarded an option to purchase 20,000 shares of common stock with a total of 800,000 shares reserved under the Formula Plan (subject to further adjustments for recapitalizations and reorganizations of the Company). An option granted under the Formula Plan is evidenced by an agreement in a form established, from time to time, by the Committee and entitles the participant to purchase shares of common stock at an option exercise price equal to the closing sales price of a share of common stock on the last business day immediately preceding the date of such award for which a closing price is available from the principal trading market for the common stock.

In the event the optionee's status as an Independent Director terminates incidental to conduct that, in the judgment of the Committee, involves a breach of fiduciary duty by such Independent Director or other conduct detrimental to the Company, then their options shall terminate immediately and thereafter be of no force or effect. Options granted under the Formula Plan are non-transferable and non-assignable by the optionee other than by will or by the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder, or Title I of the Employment Retirement Income Security Act and the rules thereunder. No option may be exercised after the expiration of its term, which is fixed at ten years from the date of grant, subject to earlier termination as described above. The option exercise price is payable in full upon exercise in cash or in shares of SMI's common stock owned by the optionee or a combination of cash and common stock. No exercise of options shall be for less than 100 shares of common stock unless the number purchased is the total number of shares for which the option is then exercisable.

Upon the occurrence of events involving the recapitalization or reorganization of the Company, the Committee will make proportionate adjustments to the number of shares covered by each outstanding option and the associated per share exercise price for any increase or decrease in the number of issued shares of common stock resulting from a subdivision or consolidation of shares or the payment of a stock dividend on the common stock.

Formula Plan options to purchase a total of 60,000 shares of common stock were granted to three plan participants in 2001. Options to purchase a total of 50,000 shares of common stock were granted to five plan participants on January 2, 2002 under the Formula Plan, subject to stockholder approval of the Formula Plan Amendment at the Annual Meeting. At present, options representing a total of 260,000 shares are outstanding, and options for approximately 520,000 additional shares are available for future grant. There are presently five Independent Directors who are eligible to receive grants under the Formula Plan. Set forth below is information with respect to options granted in 2002 under the Formula Stock Option Plan. No further Formula Plan grants are expected to occur in 2002.

NEW PLAN BENEFITS
FORMULA STOCK OPTION PLAN

Name and Position	Dollar Value ($)	Number of Units (#)
O. Bruton Smith Chairman and Chief Executive Officer of SMI.....	--	--
H.A. "Humpy" Wheeler President and Chief Operating Officer of SMI; President and General Manager of CMS.....	--	--
William R. Brooks Vice President, Treasurer and Chief Financial Officer of SMI.....	--	--
Edwin R. Clark Executive Vice President of SMI; President and General Manager of AMS.....	--	--
All current executive officers as a group.....	--	--
All current non-executive officer directors as a group	(1)	50,000(1)
All current non-executive officer employees as a group	--	--

(1) Subject to stockholder approval of the Formula Plan Amendment, options were granted to five plan participants on January 2, 2002 to purchase a total of 50,000 shares of common stock at an exercise price per share of $25.65, and all such options have 10-year terms, subject to earlier termination as described above. The dollar value of each of the options granted is not determinable due to fluctuating market prices. As of March 11, 2002, the common stock had a closing sales price of $24.83 per share.

The Committee may from time to time amend, suspend or discontinue the Formula Plan or revise it in any respect whatsoever for the purpose of maintaining or improving its effectiveness as an incentive device, for the purpose of conforming it to applicable governmental regulations or to any change in applicable law or regulations, or for any other purpose permitted by law. The Committee may not, without approval of the stockholders, materially increase the benefits accruing to participants under the Formula Plan, materially increase the number of shares of common stock that may be issued upon exercise of options granted under the Formula Plan or materially modify the Formula Plan's requirements as to eligibility for participation.

Federal Income Tax Consequences. The following summary generally describes the federal income tax consequences to optionees and the Company and is based on current laws and regulations. The summary is general in nature and is not intended to cover all tax consequences that could apply to a particular person or the Company.

No federal taxable income is recognized by plan participants upon the grant of a nonstatutory stock option under the Formula Plan. The Independent Directors of SMI are subject to liability under Section 16(b) of the Securities Exchange Act of 1934, as amended, ("16(b) Optionees") and are not deemed to recognize the ordinary income attributable to exercise until the occurrence of both (i) an exercise and (ii) the earlier of (a) the expiration of six months after the date of grant of the option and (b) the first day on which the sale of the stock at a profit will not subject the director to Section 16 liability (the "Recognition Date"), which may be coincident with the exercise date. The amount of ordinary income to be recognized by 16(b) Optionees will equal the excess of the fair market value on the Recognition Date of SMI's shares so purchased over the option exercise price, unless the 16(b) Optionee files a written election with both the Internal Revenue Service and the Company pursuant to Section 83(b) of the Code within thirty days after exercise to have the ordinary income attributable to exercise realized as of the exercise date, in which case the Independent Director will recognize ordinary income equal to the amount by which the fair market value of the purchased shares on the date of exercise exceeds the option exercise price.

The fair market value of the shares when exercised (or in the case of 16(b) Optionees who do not make an 83(b) election, on the Recognition Date) will constitute the tax basis thereof for computing capital gain or loss on any subsequent sale, and the holding period for an Independent Director will generally be measured from the date the option is exercised (or in the case of 16(b) Optionees who do not make an 83(b) election, from the Recognition Date). The Company generally will be entitled to a business expense deduction for the Company's taxable year during which the 16(b) Optionee recognizes income as the result of the exercise of the option equal to the amount of ordinary income recognized by the 16(b) Optionee. Additional gain or loss shall be recognized by the optionee upon the subsequent disposition of the shares.

If the option exercise price under any nonstatutory stock option is paid for by surrendering shares of common stock previously acquired, then the optionee will recognize ordinary income on the exercise as described above with respect to any shares acquired under the option in excess of the number of shares surrendered (such shares being treated as having been acquired without consideration), but will not recognize any taxable gain or loss on the difference between the optionee's basis in the surrendered shares and their current fair market value. For federal income tax purposes, that number of newly acquired shares equal to the number of shares surrendered will have the same basis and holding period as the surrendered shares. Any newly acquired shares in excess of the number of shares surrendered will have a basis equal to their fair market value at exercise and their holding period will begin at the date of exercise, as described above.

SELECTION OF INDEPENDENT AUDITORS

The Board of Directors has selected the firm of Deloitte & Touche LLP to serve as the principal independent auditors of the Company for the year 2002. Deloitte & Touche LLP has acted in such capacity for the Company since 1994. This selection is submitted for approval by the stockholders at the Annual Meeting.

Representatives of Deloitte & Touche will attend the Annual Meeting. They will have an opportunity to make a statement if they so desire, and to respond to appropriate questions.

Principal Accounting Firm Fees

Audit Fees. Aggregate fees billed by Deloitte & Touche for professional services rendered for their audit of the Company's consolidated annual financial statements, and reviews of the consolidated financial statements included in the Company's Quarterly Reports on Form 10-Q, for fiscal year 2001 were $261,000.

Financial Information Systems Design and Implementation Fees. There were no professional services rendered by Deloitte & Touche for information technology services relating to financial information systems design and implementation in fiscal year 2001.

All Other Fees. Aggregate fees billed by Deloitte & Touche for all other services rendered to the Company, including principally tax planning and compliance services, and attestation services for consents related to SEC registration statements, in fiscal year 2001 were $433,000.

The Audit Committee has considered whether the non-audit services provided were compatible with maintaining the principal auditor's independence, and believes that such services and related fees, due to, among other things, the nature and scope of the services provided and the fact that different Deloitte & Touche personnel provided audit and non-audit services, has not impaired the independence of the Company's principal auditors.

MANAGEMENT

Directors of SMI

For information with respect to the Board of Directors of SMI, see "Election of Directors."

Executive Officers of SMI

Messrs. O. Bruton Smith, H.A. "Humpy" Wheeler, William R. Brooks and Edwin R. Clark are the executive officers of SMI. Each executive officer serves as such until his successor is elected and qualified. No executive officer of SMI was selected pursuant to any arrangement or understanding with any person other than SMI. For further information with respect to Messrs. Smith, Wheeler, Brooks and Clark as officers of SMI, see "Election of Directors."

EXECUTIVE COMPENSATION

Compensation Committee Report

The following is an explanation of the Company's executive officer compensation program as in effect for 2001.

2001 Officer Compensation Program

The 2001 executive officer compensation program of the Company had three primary components: (i) base salary, (ii) short-term incentives under the Company's executive bonus plan, and (iii) long-term incentives which consisted solely of stock option grants made under the 1994 Stock Option Plan (for officers other than the Chief Executive Officer). Executive officers (including the Chief Executive Officer) were also eligible in 2001 to participate in various benefit plans similar to those provided to other employees of the Company. Such benefit plans are intended to provide a safety net of coverage against various events, such as death, disability and retirement.

Base salaries (including that of the Chief Executive Officer) were established on the basis of non-quantitative factors such as positions of responsibility and authority, years of service and annual performance evaluations. They were targeted to be competitive principally in relation to other motorsports racing companies (such as some of those included in the Peer Group Index in the performance graph elsewhere herein), although the Compensation Committee also considered the base salaries of certain other amusement, sports and recreation companies not included in the Peer Group Index because the Compensation Committee considered those to be relatively comparable industries.

The Company's executive bonus plan established a potential bonus pool for the payment of year-end bonuses to Company officers and other key personnel based on 2001 performance and operating results. Under this plan, aggressive revenue and profit target levels were established by the Compensation Committee as incentives for superior individual, group and Company performance. Each executive officer was eligible to receive a discretionary bonus based upon individually established subjective performance goals. The Compensation Committee approved cash incentive bonuses in amounts ranging from 0.32% to 0.63% of the Company's 2001 pretax income.

Awards of stock options under SMI's 1994 Stock Option Plan are based on a number of factors in the discretion of the Compensation Committee, including various subjective factors primarily relating to the responsibilities of the individual officers for and contribution to the Company's operating results (in relation to the Company's other optionees), their expected future contributions and the levels of stock options currently held by the executive officers individually and in the aggregate. Stock option awards to executive officers have been at then-current market prices in order to align a portion of an executive's net worth with the returns to the Company's stockholders. For details concerning the grant of options to the executive officers named in the Summary Compensation Table below, see "Executive Compensation--Fiscal Year-End Option Values."

As noted above, the Company's compensation policy is primarily based upon the practice of pay-for-performance. Section 162(m) of the Internal Revenue Code of 1986 as amended, imposes a limitation on the deductibility of nonperformance-based compensation in excess of $1 million paid to named executive officers. The Committee currently believes that, generally, the Company should be able to continue to manage its executive compensation program to preserve federal income tax deductions. However, the Compensation Committee also must approach executive compensation in a manner which will attract, motivate and retain key personnel whose performance increases the value of the Company. Accordingly, the Compensation Committee may, from time to time, exercise its discretion to award compensation that may not be deductible under
Section 162(m) when, in its judgment, such award would be in the interests of the Company.

Chief Executive Officer Compensation

The Committee's members other than Mr. O. Bruton Smith annually review and approve the compensation of Mr. Smith, the Company's Chief Executive Officer. Mr. Smith also participates in the executive bonus plan, with his bonus tied to corporate revenue and profit goals. His maximum possible bonus is 2.5% of the Company's 2001 pretax income. Mr. Smith received a $600,000 bonus for fiscal 2001 based on the Company's improved revenue and earnings over fiscal 2000 in a difficult economy and business environment. The Committee believes that Mr. Smith is paid a reasonable salary. Mr. Smith is the only employee of the Company not eligible for stock options. Since he is a significant stockholder in the Company, his rewards as Chief Executive Officer reflect increases in value enjoyed by all other stockholders.

Compensation Committee

William P. Benton, Chairman
Mark M. Gambill
O. Bruton Smith

Compensation of Officers

The following table sets forth compensation paid by or on behalf of the Company to its Chief Executive Officer and other executive officers for services rendered during the Company's fiscal years ended December 31, 2001, 2000 and 1999:

Summary Compensation Table

Name and Principal Position	Year	Annual Compensation (1) Salary	Bonus (2)	Other Annual Compensation	Long-Term Compensation Awards: Number of Shares Underlying Options (3)	All Other Compensation (4)
O. Bruton Smith	2001	$375,000	$600,000	$ 75,450(5)	--	-0-
Chairman and Chief	2000	375,000	-0-	69,924(5)	--	-0-
Executive Officer of SMI	1999	375,000	546,000	118,163(5)	--	-0-
H.A. "Humpy" Wheeler	2001	275,000	600,000	(6)	20,000	$2,700
President and Chief	2000	275,000	600,000	(6)	--	2,700
Operating Officer of SMI; President and General Manager of CMS	1999	275,000	488,000	(6)	50,000	2,600
William R. Brooks	2001	200,000	300,000	(6)	20,000	2,700
Vice President, Treasurer and	2000	200,000	300,000	(6)	--	2,700
Chief Financial Officer of SMI	1999	200,000	170,000	(6)	50,000	2,600
Edwin R. Clark	2001	125,000	200,000	(6)	20,000	2,700
Executive Vice President	2000	117,000	190,000	(6)	--	2,700
of SMI; President and General Manager of AMS	1999	102,500	141,000	(6)	20,000	2,600

(1) Does not include the dollar value of perquisites and other personal benefits.

(2) The amounts shown are cash bonuses earned in the specified year and paid in the first quarter of the following year.

(3) The 1994 Stock Option Plan was adopted in December 1994. No options were granted to the Company's executive officers in 2000.

(4) Includes Company match to 401(k) plan.

(5) Amount represents share of split-dollar insurance premium treated as compensation to Mr. Smith. See "O. Bruton Smith Life Insurance Arrangements." Mr. Smith also received certain perquisites and other personal benefits totaling not more than $50,000.

(6) The aggregate amount of perquisites and other personal benefits received did not exceed the lesser of $50,000 or 10% of the total annual salary and bonus reported for such executive officer.

Option Grants in 2001

The following table sets forth information regarding all options to acquire shares of common stock granted to the named executive officers during 2001.

Option Grants in Last Fiscal Year

Name	Number of Securities Underlying Options Granted (#)	Percent of Total Options Granted to Employees in Fiscal Year	Exercise Price ($/Sh)	Expiration Date	Potential Realizable Value At Assumed Annual Rate of Stock Price Appreciation For Option Term 0%($)	5%($)	10% ($)
H.A. "Humpy" Wheeler	20,000(1)	4.5%	$18.85(2)	10/30/2011	$128,600	$237,100	$600,800
William R. Brooks...	20,000(1)	4.5%	18.85(2)	10/30/2011	128,600	237,100	600,800
Edwin R. Clark.....	20,000(1)(3)	4.5%	18.85(2)	10/30/2011	128,600	237,100	600,800

(1) These options were granted under the 1994 Stock Option Plan and are exercisable beginning on April 1, 2002, subject to stockholder approval of the 1994 Stock Option Plan Amendment at the Annual Meeting.

(2) The exercise price was based on the closing market price of the common stock at the date of grant.

(3) Does not include options to purchase 500 shares of common stock under the SMI Employee Stock Purchase Plan that were granted at an exercise price of $21.60 per share in 2001. The options were exercised and the underlying shares of common stock sold in 2001 at a realized gain of less than $3,500.

Fiscal Year-End Option Values

The following table sets forth information concerning outstanding options to purchase common stock held by executive officers of the Company at December 31, 2001.

Aggregated Option Exercises in Last Fiscal Year and Fiscal Year-End Option Values

Name	Shares Acquired On Option Exercise (#)	Value Realized ($)	Number of Securities Underlying Unexercised Options At Fiscal Year-End (#) Exercisable/Unexercisable	In-the-Money Options at Fiscal Year-End ($)(1) Exercisable/Unexercisable
H.A. "Humpy" Wheeler	39,200	$861,100	504,600/20,000	$9,787,600/$128,600
William R. Brooks...	--	--	290,000/20,000	2,927,200/128,600
Edwin R. Clark.....	--	--	76,800/26,700	1,033,200/297,100

(1) Year-end value is based on the December 31, 2001 closing sales price for SMI's common stock of $25.28 per share, less the applicable aggregate option exercise price(s) of in-the-money options, multiplied by the number of unexercised in-the-money options which are exercisable and unexercisable, respectively.

O. Bruton Smith Life Insurance Arrangements

In 1995, the Compensation Committee (excluding O. Bruton Smith) approved the establishment of a "split-dollar" life insurance plan for the benefit of Mr. Smith. Pursuant to such plan, the Company entered into split-dollar insurance agreements whereby split-dollar life insurance policies in the total face amount of $18,072,000 (individually, a "Policy" or together the "Policies") would be purchased and held in trust for the benefit of Mr. Smith's lineal descendants. The Company has agreed to pay the annual (or shorter period) premium payments on the Policies.

Upon payment of the death benefit or upon the surrender of a Policy for its cash value, the Company will receive an amount equal to the Company's Split-Dollar Interest (as defined below). The Company's Split-Dollar Interest equals, in the case of the payment of the death benefit, the cumulative payments made by the Company towards the premiums under a Policy less any portion of such payments charged as compensation to Mr. Smith (the "Reimbursable Payment"). The Company's Split-Dollar Interest equals, in the case of surrender of a Policy for its cash value, the lesser of (i) the net cash value of such Policy and (ii) the Reimbursable Payment.

In the event a Policy is surrendered or terminated prior to his death, Mr. Smith has agreed to reimburse the Company for the positive amount, if any, by which the Reimbursable Payment exceeds the net cash value of such Policy. Mr. Smith's promise is evidenced by a promissory note in favor of the Company, which note includes a limited guaranty by Sonic Financial whereby Sonic Financial will permit amounts owed by Mr. Smith to the Company to be offset by amounts owed to Sonic Financial by AMS.

Compensation Committee Interlocks and Insider Participation

Messrs. William P. Benton, Mark M. Gambill and O. Bruton Smith served on the Company's Compensation Committee during 2001. Mr. Smith serves as the Chief Executive Officer of the Company.

The Company pays the annual (or shorter period) premiums on split-dollar life insurance policies for the benefit of Mr. Smith. See "Executive Compensation--O. Bruton Smith Life Insurance Arrangements."

Mr. O. Bruton Smith is the only officer of SMI to have served on the compensation committee of another entity during 2001. He served as a member of the Board of Directors and the Compensation Committee for SAI during 2001. Mr. Smith, as the Chief Executive Officer of SAI, received aggregate salary and other annual compensation of $1,046,000 from SAI during 2001. Mr. Brooks, Mr. Benton and Mr. Rewey each served as a member of the Board of Directors for SAI during 2001. Mr. Benton also served as a member of the Compensation Committee for SAI during 2001.

Director Compensation

Members of the Board of Directors who are not employees of the Company received options to purchase shares of SMI's common stock in 2001 under the Formula Plan, and one such member received options in 2001 under the 1994 Stock Option Plan. In particular, Messrs. Benton, Gambill and Kemp each received options to purchase 20,000 shares at an exercise price of $22.31 per share under the Formula Plan, and Mr. Tom Smith, who became a director after January 31, 2001, received options to purchase 15,000 shares at an exercise price of $23.21 per share under the 1994 Stock Option Plan. Beginning in fiscal 2002, each non-employee director will receive $2,000 for each Board of Directors meeting attended and $500 for each committee meeting attended. The Company also reimburses all directors for their expenses incurred in connection with their activities as directors of SMI. Directors who are also employees of the Company receive no additional compensation for serving on the Board of Directors. For additional information concerning the Formula Plan for SMI's Independent Directors, see "Proposed Amendment to the Formula Plan" above and Note 10 to the Consolidated Financial Statements.

Stockholder Return Performance Graph

Set forth below is a line graph comparing the cumulative stockholder return on SMI's common stock against the cumulative total return of each of the Standard & Poor's 500 Stock Index, the Russell 2000 Stock Index, and a Peer Group Index for the period commencing February 24, 1995 and ending December 31, 2001. The Russell 2000 Index was included beginning in 1998 because management believes, as a small-cap index, it more closely represents companies with market capitalization similar to the Company's than the Standard & Poor's 500 Stock Index. The companies used in the Peer Group Index in 1995 consist of Churchill Downs Incorporated, International Speedway Corporation, and Walt Disney Co.; in 1996 also include Penske Motorsports and Dover Downs Entertainment; in 1997 also include Grand Prix of Long Beach; in 1998 also include Action Performance; and in 1999 through 2001 also include Championship Auto Racing Teams, which are all publicly traded companies known by the Company to be involved in the amusement, sports and recreation industries. The graph assumes that $100 was invested on February 24, 1995 in each of SMI's common stock, the Standard & Poor's 500 Stock Index, the Russell 2000 Index, and the Peer Group Index companies and that all dividends were reinvested.

[CHART]

Comparison of Cumulative Total Return

	Speedway Motorsports	Customer Selected Stock List	S&P Composite	Russell 2000 Index
1996	$100.00	$100.00	$100.00	$100.00
1997	$118.15	$142.71	$133.36	$122.34
1998	$135.71	$132.15	$171.47	$118.91
1999	$132.44	$130.38	$207.56	$142.21
2000	$114.29	$128.10	$188.66	$136.07
2001	$120.38	$ 94.87	$166.24	$137.46

CERTAIN TRANSACTIONS

At December 31, 2001, CMS had a note receivable for $925,000, including accrued interest, due from a partnership in which Mr. O. Bruton Smith, the Company's Chairman and Chief Executive Officer, is a partner. The note bears interest at 1% over prime, is collateralized by certain land owned by the partnership, and is payable on demand. The Board of Directors, including SMI's Independent Directors, have reviewed this transaction and have determined it to be an appropriate use of available Company funds based on interest rates at the original transaction date and the underlying note collateral and creditworthiness of Mr. Smith and his partnership.

Sonic Financial, an affiliate of the Company through common ownership by Mr. Smith, has made several loans and cash advances to AMS prior to 1996 for AMS acquisition and other expenses. Such loans and advances stood at approximately $2.6 million at December 31, 2001. Of such amount, approximately $1.8 million bears interest at 3.83% per annum. The remainder of the amount bears interest at 1% over prime. The Company believes that the terms of these loans and advances are more favorable than those that could be obtained in an arm's-length transaction with an unrelated third-party.

At December 31, 2001, the Company had loaned an aggregate amount of approximately $7.0 million to Sonic Financial during 2001. Amounts due bear interest at 1% over prime and are payable on demand. The Board of Directors, including SMI's Independent Directors, have reviewed this transaction and have determined it to be an appropriate use of available Company funds based on interest rates at the time of transaction and creditworthiness of Sonic Financial and Mr. Smith.

At December 31, 2001, the Company had approximately $6.2 million due from Mr. Smith. The amount due represents premiums paid by the Company under the split-dollar life insurance trust arrangement on behalf of Mr. Smith (see "O. Bruton Smith Life Insurance Arrangements") cash advances and expenses paid by the Company on behalf of the Chairman, and accrued interest. Amounts due bear interest at 1% over prime and are payable on demand. The Board of Directors, including SMI's Independent Directors, have reviewed this compensatory arrangement and have determined it to be an appropriate use of available Company funds based on interest rates at the time of transaction and creditworthiness of Mr. Smith.

At December 31, 2001, the Company had loaned approximately $440,000 to a corporation affiliated with the Company through common ownership by Mr. Smith. From time to time, the Company makes cash advances for various corporate purposes on behalf of the affiliate. The amount due is collateralized by certain personal property and is payable on demand. The Board of Directors, including SMI's independent directors, have reviewed the transaction and have determined it to be an appropriate use of available Company funds based on the underlying collateral and creditworthiness of Mr. Smith and the affiliate.

600 Racing, Inc., a wholly-owned subsidiary of the Company, leases an office and warehouse facility from Chartown, an affiliate of the Company through common ownership by Mr. Smith, under an annually renewable lease agreement. Rent expense in 2001 amounted to approximately $143,000. The lease contains terms more favorable to the Company than terms that would be obtained from unaffiliated third parties. Additionally, a special committee of independent and disinterested directors of SMI, on behalf of the Company, has evaluated this lease, assisted by independent counsel and real estate experts, and has concluded that the lease is in the best interests of the Company and its stockholders. The economic terms of the lease were based on several factors, including the projected earnings capacity of 600 Racing, Inc., the quality, age, condition and location of the facilities, and rent paid for comparable commercial properties.

In 2001, LVMS leased a fleet of new vehicles for use by its employees from Nevada Dodge, a subsidiary of SAI, for approximately $217,000. The Company believes the lease terms approximate market value.

Oil-Chem Research Corporation ("Oil-Chem"), a wholly-owned subsidiary of the Company, sold z-Max oil additive product to certain SAI dealerships for resale to service customers of the dealerships in the ordinary

course of business. Total purchases from Oil-Chem by SAI dealerships in 2001 approximated $665,000. These sales occurred on terms no less favorable than could be obtained in an arm's-length transaction from an unrelated third party buyer.

SAI and its dealerships frequently purchase various apparel items, which are screen-printed with SAI and dealership logos, for its employees as part of internal marketing and sales promotions. SAI and its dealerships purchase such items from several companies, including Speedway Systems, LLC, a wholly-owned subsidiary of the Company. Total purchases from Speedway Systems, LLC by SAI and its dealerships in 2001 approximated $219,000. The Company believes these sales occurred on terms no less favorable than could be obtained in an arm's-length transaction with an unrelated third party.

In January 2000, the Company sold the 1.4 million square-foot Las Vegas Industrial Park and 280 acres of undeveloped land to Las Vegas Industrial Park, LLC, an entity owned by the Company's Chairman and Chief Executive Officer, for approximately $53.3 million paid in cash of $40.0 million and a note receivable of $13.3 million. The sales price approximated the Company's net carrying value as of December 31, 1999 and selling costs. At December 31, 2000, notes and other receivables of approximately $17.0 million were due from Las Vegas Industrial Park, LLC, including accrued interest based on LIBOR plus 2.00%. The note and accrued interest were repaid in 2001, and there are no amounts outstanding due at December 31, 2001.

For additional information concerning certain transactions in which Mr. Smith has an interest, see "Compensation Committee Interlocks and Insider Participation."

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires SMI's executive officers, directors and persons who own more than ten percent (10%) of SMI's common stock to file initial reports of ownership and changes in ownership with the SEC. Additionally, SEC regulations require that SMI identify any individuals for whom one of the referenced reports was not filed on a timely basis during the most recent fiscal year or prior fiscal years. To SMI's knowledge, based solely on review of reports furnished to it, all Section 16(a) filing requirements applicable to its executive officers, directors and more than 10% beneficial owners were complied with except that, Tom E. Smith inadvertently filed a late Form 3 Initial Statement of Ownership of Beneficial Securities on May 29, 2001 indicating 15,000 shares of common stock underlying options granted by the Company, the filing of which was triggered by his election to the Company's Board of Directors on February 26, 2001. In addition, Marcus G. Smith also inadvertently filed a late Form 3 Initial Statement of Beneficial Ownership of Securities on September 17, 2001 indicating 20,000 shares of common stock underlying options granted by the Company, the filing of which was triggered by his promotion to Vice President of the Company on August 9, 2001.

OTHER MATTERS

In the event that any matters other than those referred to in the accompanying Notice should properly come before and be considered at the Annual Meeting, it is intended that proxies in the accompanying form will be voted thereon in accordance with the judgment of the person or persons voting such proxies.

SPEEDWAY MOTORSPORTS, INC.

P R O X Y

Concord, North Carolina

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints Mr. O. Bruton Smith and Mr. H. A. Wheeler as Proxies, each with the power to appoint his substitute, and hereby authorizes them to represent and vote, as designated below, all the shares of the common stock of Speedway Motorsports, Inc. held of record by the undersigned on March 11, 2002 at the Annual Meeting of Stockholders to be held on May 9, 2002 or any adjournment thereof.

1. ELECTION OF DIRECTORS

Nominees: Mr. William R. Brooks, Mr. Mark M. Gambill and Mr. Jack F. Kemp (Mark only one of the following boxes).

[_] VOTE FOR all nominees [_] VOTE WITHHELD as to listed above, except all nominees.

vote withheld as to

the following
nominee(s) (if any):

2. AMENDMENT OF 1994 STOCK OPTION PLAN

To approve the proposal to amend the SMI 1994 Stock Option Plan to increase the authorized number of shares of SMI's common stock issuable under the 1994 Stock Option Plan from 3,000,000 to 4,000,000. (Mark only one of the following boxes).

[_] FOR [_]
AGAINST [_] ABSTAIN

3. AMENDMENT OF FORMULA STOCK OPTION PLAN

To approve the proposal to amend the SMI Formula Stock Option Plan to reduce the number of shares of common stock awarded annually to each independent director from 20,000 to 10,000. (Mark only one of the following boxes)

[_] FOR [_]
AGAINST [_] ABSTAIN

4. SELECTION OF AUDITORS

To ratify the selection of Deloitte & Touche LLP as the principal independent auditors of SMI and its subsidiaries for the year 2002 (Mark only one of the following boxes).

[_] FOR [_]
AGAINST [_] ABSTAIN

In their discretion, the Proxies are authorized to vote upon such other business as may properly come before this meeting.

PLEASE MARK, SIGN BELOW, DATE AND RETURN THIS PROXY PROMPTLY IN THE ENVELOPE FURNISHED.

Please sign exactly as name appears below.

When shares are held by joint tenants, both should sign. When signing as attorney, as executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by President or other authorized officer. If a partnership, please sign in partnership name by authorized person.

Shares_____
Dated_____, 2002
Signature_____ Signature if held jointly_____
[_] Please mark here if you intend to attend the Meeting of Stockholders.

Appendix A

SPEEDWAY MOTORSPORTS, INC.
1994 STOCK OPTION PLAN
AMENDED

1. Purposes of Plan. The purpose of the Plan which shall be known as the Speedway Motorsports, Inc. 1994 Stock Option Plan and is hereinafter referred to as the "Plan", are (i) to provide incentives for key employees, directors, consultants and other individuals providing services to Speedway Motorsports, Inc. (the "Company") and its subsidiaries (within the meaning of Section 424(f) of the Internal Revenue Code of 1986, as amended (the "Code"), each of which is referred to herein as a "Subsidiary") by encouraging their ownership of the common stock, $0.01 par value, of the Company (the "Stock") and (ii) to aid the Company in retaining such key employees, directors, consultants and other individuals upon whose efforts the Company's success and future growth depends, and attracting other such employees, directors, consultants and other individuals.

2. Administration. The Plan shall be administered by the Compensation Committee (the "Committee") of the Board of Directors, as hereinafter provided. For purposes of administration, the Committee, subject to the terms of the Plan, shall have plenary authority to establish such rules and regulations, to make such determinations and interpretations, and to take such other administrative actions, as it deems necessary or advisable. All determinations and interpretations made by the Committee shall be final, conclusive and binding on all persons, including Optionees and their legal representatives and beneficiaries. Notwithstanding the foregoing, in the event that there is no Compensation Committee, then the powers to be exercised by the Compensation Committee hereunder shall be exercised by the Board of Directors.

The Committee shall be appointed from time to time by the Board of Directors and shall consist of not fewer than two of its members. No member of the Board of Directors who serves on the Committee shall be eligible to participate in the Plan. The Committee shall hold its meetings at such times and places as it may determine. A majority of its members shall constitute a quorum. All determinations of the Committee shall be made by a majority of its members. Any decision or determination reduced to writing and signed by all members shall be as effective as if it had been made by a majority vote at a meeting duly called and held. The Committee may appoint a secretary (who need not be a member of the Committee). No member of the Committee shall be liable for any act or omission with respect to his service on the Committee, if he acts in good faith and in a manner he reasonably believes to be in or not opposed to the best interests of the Company.

3. Stock Available for Options. There shall be available for options under the Plan a total of 4,000,000 shares of Stock, subject to any adjustments which may be made pursuant to Section 5(f) hereof. Shares of Stock used for purposes of the Plan may be either authorized and unissued shares, or previously issued shares held in treasury of the Company, or both. Shares of Stock covered by options which have terminated or expired prior to exercise or which have been tendered as payment upon exercise of other options pursuant to Section 5(c), shall be available

for further option grants hereunder.

4. Eligibility. Options under the Plan may be granted to key employees of the Company or any Subsidiary, including officers or directors of the Company or any Subsidiary, and to directors, consultants and other individuals providing services to the Company or any Subsidiary. Options may be granted to eligible employees whether or not they hold or have held options previously granted under the Plan or otherwise granted or assumed by the Company. In selecting employees for options, the Committee may take into consideration any factors it may deem relevant, including its estimate of the employee's present and potential contributions to the success of the Company and its Subsidiaries. Service as a director, officer or consultant of or to the Company or Subsidiary shall be considered employment for purposes of the Plan (and the period of such service shall be considered the period of employment for purposes of Section 5(d) of the Plan); provided, however, that incentive stock options may be granted under the Plan only to an individual who is an "employee" (as such term is used in Section 422 of the Code) of the Company or any Subsidiary.

5. Terms and Conditions of Options. The Committee shall, in its discretion, prescribe the terms and conditions of the options to be granted hereunder, which terms and conditions need not be the same in each case, subject to the following:

(a) Option Price. The price at which each share of Stock covered by an incentive option granted under the Plan may be purchased shall not be less than the market value per share of Stock on the date of grant of the option. In the case of any option intended to be an incentive stock option granted to an individual owning (directly or by attribution as provided in Section 424(d) of the Code), on the date of grant, stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Subsidiary (which individual shall hereinafter be referred to as a "10% Stockholder"), the price at which each share of Stock covered by the option may be purchased shall not be less than 110% of the market value per share of Stock on the date of grant of the option. The date of the grant of an option shall be the date specified by the Committee in its grant of the option. The price at which each share of Stock covered by an option granted under the Plan (but not as an incentive option) may be purchased shall be the price determined by the Committee, in its absolute discretion, to be suitable to attain the purposes of this Plan.

(b) Option Period. The period for exercise of an option shall in no event be more than ten years from the date of grant, or in the case of an option intended to be an incentive stock option granted to a 10% Stockholder, more than five years from the date of grant. Options may, in the discretion of the Committee, be made exercisable in installments during the option period. Any shares not purchased on any applicable installment date may be purchased thereafter at any time before the expiration of the option period.

(c) Exercise of Options. In order to exercise an option, the Optionee shall deliver to the Company written notice specifying the number of shares of Stock to be purchased, together with cash or a certified or bank cashier's check payable to the order of the Company in the full amount of the purchase price therefor; provided that, for the purpose of assisting an Optionee to exercise an option, the Company may make loans to the Optionee or guarantee loans made by third parties to the Optionee, on such terms and conditions as the Board of Directors may

authorize; and provided further that such purchase price may be paid in shares of Stock, or in nonstatutory options granted under the Plan (provided, however, that the purchase price of Stock acquired under an incentive stock option may not be paid in options), in either case owned by the Optionee and having a market value on the date of exercise not less than the aggregate purchase price, or in any combination of cash, Stock and such options. For purposes of this
Section 5(c), the market value per share of Stock shall be the last sale price regular way on the date of reference, or, in case no sales take place on such date, the average of the closing high bid and low asked prices regular way, in either case on the principal national securities exchange on which the Stock is listed or admitted to trading, or if the Stock is not listed or admitted to trading on any national securities exchange, the last sale price reported on the National Market System of the National Association of Securities Dealers Automated Quotation system ("NASDAQ") on such date, or the average of the closing high bid and low asked prices of the Stock in the over-the-counter market reported on NASDAQ on such date, as furnished to the Committee by any New York Stock Exchange member selected from time to time by the Committee for such purpose. If there is no bid or asked price reported on any such date, the market value shall be determined by the Committee in accordance with the regulations promulgated under Section 2031 of the Code, or by any other appropriate method selected by the Committee. For purposes of this Section 5(c), the market value of an option granted under the Plan shall be the market value of the underlying Stock, determined as aforesaid, less the exercise price of the option. If the Optionee so requests, shares of Stock purchased upon exercise of an option may be issued in the name of the Optionee or another person. An Optionee shall have none of the rights of a stockholder until the shares of Stock are issued to him.

(d) Effect of Termination of Employment.

(i) An option may not be exercised after the Optionee has ceased to be in the employ of the Company or any Subsidiary for any reason other than the Optionee's death, Disability or Involuntary Termination Without Cause. Any cessation of employment, for purposes of incentive stock options only, shall include any leave of absence in excess of 90 days unless the Optionee's reemployment rights are guaranteed by law or by contract. "Cause" shall mean any act, action or series of acts or actions or any omission, omissions, or series of omissions which result in, or which have the effect of resulting in, (i) the commission of a crime by the Optionee involving moral turpitude, which crime has a material adverse impact on the Company, (ii) gross negligence or willful misconduct which is continuous and results in material damage to the Company, or (iii) the continuous, willful failure of the person in question to follow the reasonable directives of the Board of Directors. "Disabiliy" shall mean the inability or failure of a person to perform those duties for the Company traditionally assigned to and performed by such person because of the person's then-existing physical or mental condition, impairment or incapacity. The fact of disability shall be determined by the Committee, which may consider such evidence as it considers desirable under the circumstances, the determination of which shall be final and binding upon all parties. "Involuntary Termination Without Cause" shall mean either (i) the dismissal of, or the request for the resignation of, a person, by court order, order of any court-appointed liquidator or trustee of the Company, or the order or request of any creditors' committee of the Company constituted under the federal bankruptcy laws, provided that such order or request contains no specific reference to Cause; or (ii) the dismissal of, or the request for the

resignation of, a person, by a duly constituted corporate officer of the Company, or by the Board, for any reason other than for Cause.

(ii) During the three months after the date of the Optionee's Involuntary Termination Without Cause, the Optionee shall have the right to exercise the Options granted under the Plan, but only to the extent the Option was exercisable on the date of the cessation of the Optionee's employment.

(iii) During the twelve months after Termination of the Optionee's employment with the Company as a result of the Optionee's Disability, the Optionee shall have the right to exercise the Options granted under the Plan, but only to the extent the Option was exercisable on the date of the cessation of the Optionee's employment.

(iv) In the event of the death of the Optionee while employed or, in the event of the death of the Optionee after cessation of employment described in subparagraph (ii) or (iii), above, but within the three-month or twelve-month period described in subparagraph (ii) or (iii), above, upon the expiration of twelve months following the Optionee's death. During such extended period, the Option may be exercised by the person or persons to whom the deceased Optionee's rights under the Option Agreement shall pass by will or by the laws of descent or distribution, but only to the extent the Option was exercisable on the date of the cessation of the Optionee's employment, but only as to any shares exercisable on the date of the Optionee's employment so terminates. The provisions of the foregoing sentence shall apply to any outstanding options which are incentive stock options to the extent permitted by Section 422(d) of the Code and such outstanding options in excess thereof shall, immediately upon the occurrence of the event described in the preceding sentence, be treated for all purposes of the Plan as nonstatutory stock options and shall be immediately exercisable as such as provided in the foregoing sentence.

In no event shall any option be exercisable beyond the applicable exercise period provided in Section 5(b) of the Plan. Nothing in the Plan or in any option granted pursuant to the Plan (in the absence of an express provision to the contrary) shall confer on any individual any right to continue in the employ of the Company or any Subsidiary or interfere in any way with the right of the Company to terminate his employment at any time.

(e) Nontransferability of Options. During the lifetime of an Optionee, options held by such Optionee shall be exercisable only by him. No option shall be transferable other than by will or the laws of descent and distribution.

(f) Adjustments for Change in Stock Subject to Plan. In the event of a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Company, (i) except as provided in clause
(ii) below, the Committee shall make such adjustments, if any, as it deems appropriate in the number and kind of shares covered by outstanding options, or in the option price per share, or both, and (ii) the Board of Directors of the Company shall make such adjustments, if any, as it deems appropriate in the number and kind of shares covered by outstanding options, or in the option price per share, or both, with respect to options held by

directors of the Company.

(g) Acceleration of Exercisability of Options Upon Occurrence of Certain Events. In connection with any merger or consolidation in which the Company is not the surviving corporation and which results in the holders of the outstanding voting securities of the Company (determined immediately prior to such merger or consolidation) owning less than a majority of the outstanding voting securities of the surviving corporation (determined immediately following such merger or consolidation), or any sale or transfer by the Company of all or substantially all its assets or any tender offer or exchange offer for or the acquisition, directly or indirectly, by any person or group of all or a majority of the then-outstanding voting securities of the Company, all outstanding options under the Plan shall become exercisable in full, notwithstanding any other provision of the Plan or of any outstanding options granted thereunder, on and after (i) the fifteenth day prior to the effective date of such merger, consolidation, sale, transfer or acquisition or (ii) the date of commencement of such tender offer or exchange offer, as the case may be. The provisions of the foregoing sentence shall apply to any outstanding options which are incentive stock options to the extent permitted by Section 422(d) of the Code and such outstanding options in excess thereof shall, immediately upon the occurrence of the event described in clause (i) or (ii) of the foregoing sentence, be treated for all purposes of the plan as nonstatutory stock options and shall be immediately exercisable as such as provided in the foregoing sentence. Notwithstanding the foregoing, in no event shall any option be exercisable after the date of termination of the exercise period of such option specified in Sections 5(b) and 5(d).

(h) Registration, Listing and Qualification of Shares of Stock. Each option shall be subject to the requirement that if at any time the Board of Directors shall determine that the registration, listing or qualification of shares of Stock covered thereby upon any securities exchange or under any federal or state law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such option or the purchase of shares of Stock thereunder, no such option may be exercised unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Board of Directors. The Company may require that any person exercising an option shall make such representations and agreements and furnish such information as it deems appropriate to assure compliance with the foregoing or any other applicable legal requirement.

(i) Other Terms and Conditions. The Committee may impose such other terms and conditions, not inconsistent with the terms hereof, on the grant or exercise of options, as it deems advisable.

(j) Reload Options. If upon the exercise of an option granted under the Plan (the "Original Option") the Optionee pays the purchase price for the Original Option pursuant to Section 5(c) in whole or in part in shares of Stock owned by the Optionee for at least six months, the Company shall grant to the Optionee on the date of such exercise an additional option under the Plan (the "Reload Option") to purchase that number of shares of Stock equal to the number of shares of Stock so held for at least six months transferred to the Company in payment of the purchase price in the exercise of the Original Option. The price at which each share of Stock covered by the Reload Option may be purchased shall be the market value per share of Stock (as

specified in Section 5(c)) on the date of exercise of the Original Option. The Reload Option shall not be exercisable until one year after the date the Reload Option is granted or after the expiration date of the Original Option. Upon the payment of the purchase price for a Reload Option granted hereunder in whole or in part in shares of Stock held for more than six months pursuant to Section 5(c), the Optionee is entitled to receive a further Reload Option in accordance with this Section 5(j). Shares of Stock covered by a Reload Option shall not reduce the number of shares of Stock available under the Plan pursuant to Section 3.

6. Additional Provisions Applicable to Incentive Stock Options. The Committee may, in its discretion, grant options under the Plan to eligible employees which constitute "incentive stock options" within the meaning of Section 422 of the Code, provided, however, that (a) the aggregate market value of the Stock with respect to which incentive stock options are exercisable for the first time by the Optionee during any calendar year shall not exceed the limitation set forth in Section 422(d) of the Code and (b) Section 5(d)(ii) hereof shall not apply to any incentive stock option.

7. Amendment and Termination. Unless the Plan shall theretofore have been terminated as hereinafter provided, the Plan shall terminate on, and no option shall be granted hereunder after, December 21, 2004; provided, however, that the Board of Directors may at any time prior to that date terminate the Plan. The Board of Directors may at any time amend the Plan or the term of any option outstanding under the Plan; provided, however, that, except as contemplated in Section 5(f), the Board of Directors shall not, without approval by a majority of the votes cast by the stockholders of the Company at a meeting of stockholders at which a proposal to amend the Plan is voted upon, (i) increase the maximum number of shares of Stock for which options may be granted under the Plan, (ii) change the minimum option price, (iii) extend the period during which options may be granted or exercised or, (iv) except as otherwise provided in the Plan, amend the requirements as to the class of employees eligible to receive options. No termination or amendment of the Plan or any option outstanding under the Plan may, without the consent of an Optionee, adversely affect the rights of such Optionee under any option held by such Optionee.

8. Effectiveness of Plan. The Plan will not be made effective unless approved before December 21, 1995 by a majority of the votes cast thereon by the stockholders of the Company at a meeting of stockholders duly called and held for such purpose or by unanimous written consent of such stockholders, and no option granted hereunder shall be exercisable prior to such approval.

9. Withholding. It shall be a condition to the obligation of the Company to issue shares of Stock upon exercise of an option that the Optionee (or any beneficiary or person entitled to act under Section 5(d) hereof) pay to the Company, upon its demand, such amount as may be requested by the Company for the purpose of satisfying any other taxes. If the amount requested is not paid, the Company may refuse to issue such shares of Stock.

10. Other Actions. Nothing contained in the Plan shall be construed to limit the authority of the Company to exercise its corporate rights and powers, including, but not by way of limitation, the right of the Company to grant or assume options for proper corporate purposes other than under the Plan with respect to any employee or other person, firm, corporation or

association.

STATUTORY INCENTIVE STOCK OPTION AGREEMENT AND GRANT
PURSUANT TO
SPEEDWAY MOTORSPORTS, INC. 1994 STOCK OPTION PLAN

This Statutory Incentive Stock Option Agreement and grant is entered into as of this ___ day of _____ between Speedway Motorsports, Inc., a Delaware corporation (the "Company"), and _____, (the "Optionee").

WHEREAS, the Company and its stockholders have approved the Speedway Motorsports, Inc. 1994 Stock Option Plan (the "Plan") pursuant to which the Company may from time to time, make awards of Options (as defined below) and enter into Statutory Incentive Stock Option Agreements within eligible employees of the Company or of any Subsidiary (as defined below);

WHEREAS, pursuant to the Plan, the Company has determined to grant to the Optionee an Option to purchase Common Stock (as defined below) of the Company, which Option shall be subject to the terms and conditions of this Statutory Incentive Stock Option Agreement and Grant;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the parties hereby agree as follows:

1. Definitions.

For the purposes of this Statutory Incentive Stock Option Agreement and Grant, the following terms shall have the meanings indicated:

(a) "Act" shall mean the Securities Act of 1933, as amended.

(b) "Board" shall mean the Board of Directors of the Company

(c) "Cause" shall mean any act, action or series of acts or actions

or any omission, omissions, or series of omissions which result in, or which have the effect of resulting in, (i) the commission of a crime by the Optionee involving moral turpitude, which crime has a material adverse impact on the Company, (ii) gross negligence or willful misconduct which is continuous and results in material damage to the Company, or (iii) the continuous, willful failure of the person in question to follow the reasonable directives of the Board of Directors.

(d) "Code" shall mean the Internal Revenue Code of 1986, as amended, and any successor revenue laws of the United States.

(e) "Committee" shall mean the compensation Committee of the Board or such other committee of the members of the Board as is designated by the Board to administer the Plan.

(f) "Common Stock" shall mean the Common Stock, par value $.01 per share, of the Company.

(g) "Disability" shall mean the inability or failure of a person to perform those duties for the Company traditionally assigned to and performed by such person for a period greater than 90 days because of the person's then-existing physical or mental condition, impairment or incapacity. The fact of the disability shall be determined by the Committee, which may consider such evidence as it considered desirable under the circumstances, the determination of which shall be final and binding upon all parties.

(h) "Exercise Date" shall mean the business day, during the Option Period, upon which the Optionee delivers to the Company the written notice and consideration contemplated by Section 5(c) of the Plan.

(i) "Fair Market Value" shall mean, with respect to the Common Stock on any day, its market value determined as provided in Section 5(c) of the Plan.

(j) "Involuntary Termination Without Cause" shall mean either (i) the dismissal of, or the request for the resignation of, a person, by court order, order of any court-appointed liquidator or trustee of the Company, or the order or request of any creditors' committee of the Company constituted under the federal bankruptcy laws, provided that such order or request contains no specific reference to Cause; or (ii) the dismissal of, or the request for resignation of, a person, by duly constituted corporate officer of the Company, or by the Board, for any reason other than for Cause.

(k) "Notice" shall have the meaning indicated in paragraph 3 below.

(l) "Option" shall mean the option to purchase shares of Common Stock granted to the Optionee pursuant to this Option Agreement.

(m) "Option Agreement" shall mean this Statutory Incentive Stock Option Agreement and Grant between the Company and the Optionee by which the Option is granted to the Optionee pursuant to the Plan.

(n) "Option Period" shall mean the period commencing on the date that is six months after the date of this Option Agreement and ending at the close of business ten years from the date hereof or such earlier date as when this Option Agreement may be terminated by its terms.

(o) "Option Shares" shall mean the shares of Common Stock purchased upon exercise of the Option.

(p) "Optionee" shall mean the individual executing this Option Agreement and, as applicable, the estate, personal representatives or beneficiary to whom this Option may be transferred pursuant to this Option Agreement by will, by the laws of descent or distribution or pursuant to a qualified domestic relations order as defined by the Code.

(q) "Plan" shall mean the Speedway Motorsports, Inc. 1994 Stock Option Plan and any amendments thereto.

(r) "Retirement" shall mean, with respect to the Optionee, retirement from the Company in accordance with the Company's retirement policy as may be in effect from time to time.

(s) "Subsidiary" shall mean any subsidiary corporation of Speedway Motorsports, Inc. as defined in Sections 424(f) and 424(g) of the Code.

(t) "Termination" shall mean the cessation, for any reason, of the employer-employee relationship between the Company and the Optionee.

(u) "Total Option Price" shall mean the consideration payable to the Company by the Optionee upon exercise of the Option pursuant to Section 5(c) of the Plan.

2. Grant of Option. Effective upon the date hereof, and subject to the terms and conditions set forth herein, the Company hereby grants to the Optionee the Option to purchase from the Company, at an exercise price of $_____ per share (the per share Fair Market Value of the Common Stock on the date hereof), up to but not exceeding in the aggregate of _____ shares of Common Stock.

3. Exercise of Option. The Option granted in paragraph 2 above may be exercised as follows:

(a) The Option shall be exercisable at any time and from time to time during the Option Period. The Option shall terminate on the expiration of the Option Period, if not earlier terminated; provided that, in the event of the Optionee's Retirement, the Committee in its sole and absolute discretion may accelerate the Exercise Date, which acceleration may, in the sole discretion of the Committee.

(b) No less than 100 shares of Common Stock may be purchased on any Exercise Date unless the number of shares purchased at such time is the total number of shares in respect of which the Option is then exercisable.

(c) If at any time and for any reason the Option covers a fraction of a share, then, upon exercise of the Option, the Optionee shall receive the Fair Market Value of such fractional share in cash.

(d) The option shall be exercised by the Optionee in accordance with the terms and conditions of Section 5(c) of the Plan.

(e) Within 15 days after the Exercise Date, subject to the receipt of payment of the Total Option Price and of any payment in cash of federal, state or local income tax withholding or other employment tax may be due upon the issuance of the Option Shares as

determined and computed by the Company pursuant to paragraph 6 below, the Company shall issue to the Optionee the number of shares with respect to which such Option shall be so exercised and shall deliver to the Optionee a certificate or certificates therefor.

(f) The Option is not transferable by the Optionee otherwise than by will or the laws of descent or distribution. No assignment or transfer of this Option, or of the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise, except by will or the laws of descent or distribution, shall vest in the assignee or transferee any interest or right herein whatsoever; but immediately upon any attempt to assign or transfer this Option, except as expressly permitted herein, the same shall terminate and be of no force or effect.

(g) The Optionee agrees to maintain the status of the entire Option as an "incentive stock option" as defined under Section 422 of the Code.

4. Termination. The Option granted hereby shall terminate and be of no force or effect upon and following the occurrence of any of the following events:

(a) The expiration of the Option Period.

(b) The Termination of the Optionee's employment for any reason other than the Optionee's death, Disability or Involuntary Termination Without Cause.

(c) The Expiration of three months after the date of the Optionee's Involuntary Termination Without Cause. During such three-month period, the Optionee shall have the right to exercise the Option hereby granted in accordance with the terms of this Option Agreement, but only to the extent the option was exercisable on the date of the Termination of the Optionee's employment.

(d) The expiration of twelve months after Termination of the Optionee's employment with the Company as a result of the Optionee's Disability. During such twelve-month period, the Optionee shall have the right to exercise the Option hereby granted in accordance with the terms of this Option Agreement, but only to the extent the option was exercisable on the date of the Termination of the Optionee's employment.

(e) In the event of death of the Optionee while in the employ of the Company upon the expiration of twelve months following the Optionee's death. During such extended period, the Option may be exercised by the person or persons to whom the deceased Optionee's rights under the Option Agreement shall pass by will or by the laws of descent or distribution, but only to the extent the Option was exercisable on the date of the death of the Optionee.

(f) To the extent set forth in paragraph 7, below, upon the dissolution, liquidation, consolidation or merger of the Company, and, to the extent set forth in subparagraph 3(f), above, upon an attempted assignment or transfer of the Option otherwise than as expressly permitted herein.

Any determination made by the Committee with respect to any matter referred to in this paragraph 4 shall be final and conclusive on all persons affected thereby.

5. Rights as Stockholder. An Optionee shall have no rights as a stockholder of the Company with respect to any shares underlying the Option until the day of the issuance of a stock certificate to him or her for those shares upon payment of the exercise price in accordance with the terms and provisions hereof. Subject to paragraph 7, below, no adjustments shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions or other rights for which the record date is prior to the date such stock certificate is issued.

6. Payment of Withholding Taxes. Upon the Optionee's exercise of his or her Option with respect to any of the Option Shares in accordance with the provisions of paragraph 3, above, the Optionee shall pay to the Company upon exercise of the Option the amount of any federal, state or local income tax withholding or other employment tax that may be due upon such exercise. The determination of the amount of any such federal, state or local tax withholding or other employment tax due in such event shall be made by the Company and shall be binding upon the Optionee.

7. Recapitalization; Reorganization. The shares underlying this Option are shares of Common Stock as constituted on the date of this Agreement, but if, during the Option Period and prior to the delivery by the Company of all of the shares of Common Stock with respect to which this Option is granted, the Company shall effect a subdivision or consolidation of shares or other capital readjustment, the payment of a stock dividend or some other increase or decrease in the number of shares of Common Stock outstanding, without receiving compensation therefor in money, services or property , then, (a) in the event of any increase in the number of such shares outstanding, the number of shares of Common Stock then remaining subject to the Option shall be proportionately increased (except that any fraction of a share resulting from any such adjustment shall be excluded from the operation of this Option Agreement), and the exercise price per share shall be proportionately reduced , and, (b) in the event of a reduction in the number of such shares outstanding, the number of shares of Common Stock then remaining subject to this Option shall be proportionately reduced (except that any fractional share resulting from any such adjustment shall be excluded from the operation of this Option Agreement), and the exercise price per share shall be proportionately increased.

In the event of a merger of one or more corporations into the Company with respect to which the Company shall be the surviving or resulting corporation, the Optionee shall, at no additional cost, be entitled upon any exercise of this Option to receive (subject to any required action by shareholders), in lieu of the number of shares as to which this Option shall then be so exercised , the number and class of shares of stock or other securities to which the Optionee would have been entitled pursuant to the terms of the agreement of merger if, immediately prior to such merger, the Optionee had been the holder of record of a number of shares of Common Stock of the Company equal to the number of shares as to which such Option shall be so exercised; provided, however, that, anything herein contained to the contrary notwithstanding , upon the occurrence of any event described in Section 5(g) of the Plan, this Option shall be subject to acceleration as provided in such Section 5(g).

In the event of a change in the Common Stock as presently constituted, which change is limited to a change of all the authorized shares with par value into the same number of shares with a different par value or without par value, the shares resulting from any such change shall be deemed to be the Common Stock within the meaning of the Plan.

The existence of this Option shall not affect in any way the right or power of the Company or its shareholders to make or authorize any or all adjustments, dividends, stock dividends, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue bonds, debentures, preferred or other stocks with preference ahead of or convertible into, or otherwise affecting, the Common Stock or the rights thereof, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

8. No Registration Rights. Anything in this Option Agreement to the contrary notwithstanding, if, at any time specified herein for the issuance of Option Shares, any law, regulation or requirements of any governmental authority having jurisdiction in the premises shall require either the Company or the Optionee, in the opinion of the Company's counsel, to take any action in connection with the shares then to be issued, the issue of such shares shall be deferred until such action shall have been taken. Nothing in this Option Agreement shall be construed to obligate the Company at any time to file or maintain the effectiveness of a registration statement under the Act, or under the securities laws of any state or other jurisdiction, or to take or cause to be taken any action which may be necessary in order to provide an exemption from the registration requirements of the Act under Rule 144 or any other exemption with respect to the Option Shares or otherwise for resale or other transfer by the Optionee (or by the executor or administrator of such Optionee's estate or a person who acquired the Option or any Option Shares or other rights by bequest or inheritance or by reason of the death of the Optionee) as a result of the exercise of an Option granted pursuant to this Option Agreement.

9. Resolution of Disputes. Any disputes or disagreement that arises under, or as a result of, or pursuant to, this Option Agreement shall be determined by the Committee in its absolute and uncontrolled discretion, and any such determination or other determination by the Committee under or pursuant to this Option Agreement, and any interpretation by the Committee of the terms of this Option Agreement, shall be final, binding and conclusive on all parties affected thereby.

10. Compliance with the Act. Notwithstanding any provision herein to the contrary or in the Plan, the Company shall be under no obligation to issue any shares of Common Stock to the Optionee upon exercise of the Option granted hereby unless and until the Company has determined that such issuance is either exempt from registration, or is registered, under the Act and is either exempt from registration and qualification, or is registered or qualified, as applicable, under all applicable state securities or "blue sky" laws.

11. Miscellaneous.

(a) Binding on Successors and Representatives. This Option Agreement shall be binding not only upon the parties, but also upon their heirs, executors, administrators, personal representatives, successors, and assigns (including any transfer of a party to this Agreement); and the parties agree, for themselves and their successors, assigns and representatives, to execute any instrument which may be necessary legally to effect the terms and conditions of this Option Agreement.

(b) Entire Agreement.This Option Agreement, together with the Plan, constitutes the entire agreement of the parties with respect to the Option and supersedes any previous agreement, whether written or oral, with respect thereto. This Option Agreement has been entered into in compliance with the terms of the Plan; wherever a conflict may arise between the terms of this Option Agreement and the terms of the Plan, the terms of the Plan shall control.

(c) Amendment. Neither this Option Agreement nor any of the terms and conditions herein set forth may be altered or amended orally, and any such alteration or amendment shall be effective only when reduced to writing and signed by each of the parties or their respective successors and assigns.

(d) Construction of Terms. Any reference herein to the singular or plural shall be construed as plural or singular whenever the context requires.

(e) Notices. All notices, requests and amendments under this Option Agreement shall be in writing, and notices shall be deemed to have been given when personally delivered or sent prepaid registered mail:

(i) if to the Company, at the following address:

Speedway Motorsports Inc. 5555 Concord Parkway South P.O. Box 600
Concord, NC 28026-0600 Attention: Corporate Secretary

or at such other address a the Company shall designate by notice.

(ii) if to the Optionee, to the Optionee's address appearing in the Company's employment records, or at such other address as the Optionee shall designate by notice.

(f) Governing Law. This Option Agreement shall be governed by, and construed in accordance with, the laws of the State of North Carolina (excluding the principles of conflict of laws thereof.)

(g) Severability. The invalidity or unenforceability of any particular provision of this Option Agreement shall not affect the other provision hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

(h) An Incentive Stock Option.The Option granted hereunder is intended to be an "Incentive Stock Option" under Section 422 of the Code.

IN WITNESS WHEREOF, the parties hereto have executed this Option Agreement as of the day and year first written above.

SPEEDWAY MOTORSPORTS INC.

O. Bruton Smith Chairman and Chief Executive Officer

OPTIONEE:

_____(SEAL)

SS#: _____

Address:_____

Appendix B

SPEEDWAY MOTORSPORTS, INC.
FORMULA STOCK OPTION PLAN
AMENDED

ARTICLE 1
PURPOSE; EFFECTIVE DATE; DEFINITIONS

1.1 Purpose. This Speedway Motorsports, Inc. Formula Stock Option Plan is intended to secure for Speedway Motorsports, Inc. and its stockholders the benefits of the incentive inherent in common stock ownership by the Independent Directors of the Company, who are responsible in part for the Company's growth and financial success, and to afford such persons the opportunity to obtain and thereafter increase a proprietary interest in the Company on a favorable basis and thereby share in its success. This Plan is intended to constitute a "formula plan" meeting the requirements for formula awards under paragraph (c)(2)(ii) of rule 16b-3 of the Securities Exchange Commission under the Exchange Act and shall be construed accordingly.

1.2 Effective Date. Subject to ratification of this Plan by the Company's stockholders as provided in Section 5.9, this Plan shall be effective on and as of January 1, 1996.

1.3 Definitions. Capitalized terms used in this Plan but nor defined herein are used herein as defined in the option Agreement. In addition, throughout this Plan, the following terms shall have the meanings indicated:

(a) "Board" shall mean the Board of Directors of the Company.

(b) "Code" Shall mean the Internal Revenue Code of 1986, as amended,

and the rule and regulations promulgated thereunder.

(c) "Committee" shall mean the Board, constituted as a committee composed of all Directors other than the Independent Directors.

(d) "Common Stock" shall mean the Common Stock, par value $0.01 per share, of the Company

(e) "Company" shall mean Speedway Motorsports, Inc., a Delaware corporation.

(f) "Director" shall mean any member of the Board.

(g) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(h) "Fair Market Value" shall mean, with respect to the Common Stock on any day, the average closing sales price of a share of Common Stock for the 10 business

days immediately preceding such day for which a closing price is available from the principal trading market for the Common Stock. A "business day" is any day, other than a Saturday or Sunday, on which the relevant market is open for trading.

(i) "Independent Director" shall mean any Director other than a Director who, at the time of an Option award to such Director hereunder, is a full-time employee of the Company or a subsidiary of the Company.

(j) "Option" shall mean an option to purchase shares of Common Stock awarded to an Independent Director pursuant to this Plan.

(k) "Option Agreement" shall mean an agreement between the Company and an Independent Director, in substantially the form of Annex A to this Plan, evidencing the award of an Option.

(l) "Option Shares" shall mean the shares of Common Stock purchased upon exercise of an Option.

(m) "Plan" shall mean this Speedway Motorsports, Inc. Formula Stock

Option Plan, as the same may be amended from time to time.

ARTICLE II
COMMITTEE

2.1 Committee Work. This Plan and the Options shall be interpreted, construed and administered by the Committee in its sole discretion such that the interpretation, construction and administration by the Committee of any provision of this Plan or of any Option shall be conclusive and binding on all parties. A majority of the entire Committee shall constitute a quorum, and the action of a majority of the members present at any meeting at which a quorum is present shall be deemed the action of the Committee. In addition, any decision or determination reduced to writing and signed by all members of the Committee shall be fully as effective as if it had been made by a majority vote at a meeting duly called and held. Subject to the provisions of the Plan and the Company's bylaws, the Committee may make such additional rules and regulations for the conduct of its business as it shall deem advisable and shall hold meetings at such times and places as it may determine.

2.2 Limitation on Receipt of Options by Committee Members. No person, while a member of the Committee, shall be eligible to receive Options under the Plan, but a member of the Committee may exercise Options granted prior to his or her becoming a member of the Committee.

2.3 Good Faith Determinations. No member of the Committee or other member of the Board shall be liable for any action or determination made in good faith with respect to this Plan or any Option granted hereunder.

ARTICLE III
ELIGIBILITY; SHARES SUBJECT TO THE PLAN

3.1 Eligibility. Only Independent Directors shall be eligible to receive Option awards under this Plan.

3.2 Shares Subject to the Plan. Subject to the provisions of Section 4.2(d) (relating to adjustment for changes in the Common Stock), the maximum number of shares that may be issued under this Plan shall not exceed in the aggregate 800,000 shares of Common Stock. Such shares may be authorized and unissued shares or, in the alternative, authorized and issued shares that have been reacquired by the Company as treasury stock. If any Option awarded under this Plan shall for any reason terminate or expire or be surrendered without having been exercised in full, then the underlying shares not acquired by Option exercise shall be available for grant hereunder.

ARTICLE IV

FORMULA AWARDS

4.1 Formula. On or before January 31 of each year during the term of this Plan (commencing after the effective date hereof), each person who is then an Independent Director shall be awarded an Option to purchase 10,000 shares of Common Stock, in each case at an exercise price per share equal to the Fair Market Value per share of Common Stock as of the date of such award. All of the Option awards referred to in this Section 4.1 shall be made by operation of the provisions of this Plan and shall require no further action by the Company, the Board, the Committee or any other person except as specifically provided for elsewhere in this Plan. Each Option shall be exercisable, in whole or in part, at any time and from time to time during the Option Period. Each Option shall terminate on the expiration of its Option Period, if not earlier terminated.

4.2 Other Terms and Conditions. Each Option award under this Plan shall be evidenced by an option Agreement as established, from time to time, by the Committee. The Option Agreements need not be identical with one another, but each one shall include the substance of, and shall be governed by, all of the following terms and conditions:

(a) Numbers of Shares and Option Exercise Price. Each Option Agreement shall state the number of shares of Common Stock to which it pertains and the Option exercise price, all in accordance with this Plan.

(b) Medium and Time of Payment. Upon exercise of the Option, the Option exercise price shall be payable in United States dollars, either in cash (including by check) or in shares of Common Stock owned by the Optionee or in a combination of cash and Common Stock. If all or any portion of the Option exercise price is paid in Common Stock, then such Common Stock shall be valued at its Fair Market Value as of the Exercise Date.

(c) Minimum Exercise; No Transfers. No less than 100 shares of Common Stock may be purchased by Option exercise at any one time unless the number purchased is the total number of shares in respect of which the Option is then exercisable. No

Option shall be assignable or transferable by an Optionee, and no other person shall acquire any rights therein, except that, subject to the provisions of Section 4.2(f), the Option may be transferred by will or the laws of descent or distribution or pursuant to a qualified domestic relations order as defined by the Code or Title I of the Employee Retirement Income Security Act, or the rules thereunder.

(d) Recapitalization; Reorganization. Subject to any action required by the stockholders of the Company, the maximum number of shares of Common Stock that may be issued under this Plan pursuant to Section 3.2, the number of shares of Common Stock covered by each outstanding Option and the per-share exercise price applicable to each outstanding Option shall, in each case, be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a subdivision or consolidation of shares or the payment of a stock dividend on the Common Stock or any other increase or decrease in the number of shares of Common Stock effected without receipt of consideration by the Company.

Subject to any action required by the stockholders, if the Company is the surviving corporation in any merger, then each Option outstanding shall pertain to and apply to the securities or other consideration that a holder of the number of shares of Common Stock underlying the Option would have been entitled to receive in the merger. A dissolution, liquidation or consolidation of the Company or a merger in which the Company is not the surviving corporation, other than a merger effected solely for the purpose of changing the Company's domicile, shall cause each outstanding Option not exercised prior to the effective date of such transaction to terminate. In the case of a merger effected for the purpose of changing the Company's domicile, each outstanding Option shall continue in effect in accordance with its terms and shall apply to the same number of shares of common stock of such surviving corporation as the number of shares of Common Stock to which it applied immediately prior to such merger, adjusted for any increase or decrease in the number of outstanding shares of common stock of the surviving corporation effected without receipt of consideration.

In the event of a change in the Common Stock as presently constituted, which change is limited to a change of all of the authorized shares with par value into the same number of shares with a different par value or without par value, the shares resulting from any such change shall be deemed to be Common Stock within the contemplation of this Plan.

The foregoing adjustments shall be made by the Committee, whose determination shall be conclusive.

Except as expressly provided in this subsection, the Optionee shall have no rights by reason of (i) any subdivision or consolidation of shares of any class, (ii) any stock dividend, (iii) any other increase or decrease in the number of shares of stock of any class, (iv) any dissolution, liquidation, merger or consolidation or spin-off, split-off or split-up of assets of the Company or stock of another corporation or (v) any issuance by the Company of shares of stock of any class or securities convertible into shares of stock of any class. Moreover, except as expressly provided in this subsection, the occurrence

of one or more of the above-listed events shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of, or the exercise price relative to, the shares of Common Stock underlying an Option.

The grant of an Option pursuant to this Plan shall not affect in any way the right or power of the Company to issue securities of any class, to make adjustments, reclassifications, reorganizations or changes to, of or in its capital or business structure, to merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.

(e) Rights as a Stockholder. An Optionee or a transferee of an Option shall have no rights as a stockholder with respect to any shares underlying his or her Option until the date of the issuance of a stock certificate for those shares upon payment of the exercise price. No adjustments shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions or other rights for which the record date is prior to the date such stock certificate is issued, except as expressly provided in subsection 4.2(d).

(f) Option Termination. Each Option Agreement shall provide that, if the Optionee's status as an independent Director terminates incidental to conduct that, in the judgment of the Committee, involves a breach of fiduciary duty by such Independent Director or other conduct detrimental to the Company, then his or her Option shall terminate immediately and thereafter be of no force or effect. Each Option Agreement also shall provide that, if the Optionee dies or if the Option is transferred pursuant to a qualified domestic relations order as provided in Section 4.2(c), prior to the exercise in full of an Option, then such Option may be exercised not later than the expiration of twelve months following such death or transfer, as the case may be, by the person or persons to whom his or her rights under the Option shall have been transferred by reason thereof (but only to the extent that such Option was exercisable on the date of such death or transfer). Notwithstanding anything to the contrary in this subsection, an Option may not be exercised by anyone after the expiration of its term.

ARTICLE V
MISCELLANEOUS

5.1 Withholding Taxes. An Independent Director awarded an Option hereunder shall be deemed conclusively to have authorized the Company to withhold from the fees, commissions or other compensation of such Independent Director funds in amounts, or property (including Common Stock) in value, equal to any federal, state or local income, employment or other withholding taxes applicable to the income recognized by such Independent Director and attributable to the Options or Option Shares acquired pursuant to this Plan as, when and to the extent, if any, required by law; provided, however, that, in lieu of the withholding of federal, state and local taxes as herein provided, the Company may require that the Independent Director (or other person exercising such Option) pay the Company an amount equal to any federal, state and local withholding taxes on such income at the time such withholding is required, if it is ever required, or at such other time as shall be satisfactory to the Company. Nothing in this
Section shall be construed to impose on the Company a duty to withhold, where applicable law does not

require such withholding, or to imply that an Independent Director is an employee or anything other than an independent contractor with respect to the Company.

5.2 Amendment, Suspension, Discontinuance and Termination of Plan. The Committee may from time to time amend, suspend or discontinue this Plan or revise it in any respect whatsoever for the purpose of maintaining or improving its effectiveness as an incentive device, for the purpose of conforming it to applicable governmental regulations or to any change in applicable law or regulations, or for any other purpose permitted by law; provided, however, that no such action by the Committee shall adversely affect any Option theretofore awarded hereunder without the consent of the holder so affected; provided further that any amendment to this Plan that would materially increase the benefits accruing to participants hereunder, materially increase the number of shares of Common Stock that may be issued upon exercise of Options granted hereunder or materially modify this Plan's requirements as to eligibility for participation herein must be approved by the stockholders of the Company; and provided further that there shall not be amended more than once every six months, other than to comport with changes in the Code, any of those provisions of this Plan that permit Directors to receive awards, that state the amount and price of Options, or of the underlying Common Stock, to be awarded hereunder to designated Directors or categories of Directors, that specify the timing of awards hereunder or that set forth the formula that determines the amount, price and timing of awards hereunder. This Plan will terminate on the date when all shares of the Common Stock reserved for issuance under the Plan have been acquired upon exercise of Options granted hereunder or on such earlier date as the Board may determine.

5.3 Governing Law. This Plan and all rights and obligations hereunder shall be construed in accordance with and governed by the laws of the State of North Carolina.

5.4 Designation. This Plan may be referred to in other documents and instruments as the "Speedway Motorsports, Inc. Formula Stock Option Plan."

5.5 Indemnification of Committee. In addition to such other rights of indemnification as they may have as Directors or as members of the Committee, the members of the Committee shall be indemnified by the Company against the reasonable expenses, including legal fees actually and necessarily incurred in connection with the defense of any investigation, action, suit or proceeding, or in connection with any appeal therefrom, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with this Plan or any Option granted hereunder, and against all amounts paid by them in settlement thereof or paid by them in satisfaction of a judgment in or dismissal or other discontinuance of any such investigation, action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such investigation, action, suit or proceeding that such Committee member acted in bad faith in the performance of his or her duties, and without reasonable belief that such performance was in the best interest of the Company.

5.6 Reservation of Shares. The Company shall, at all times during the term of this Plan and so long as any Option shall be outstanding, reserve and keep available such number of shares of Common Stock as shall be sufficient to satisfy the requirements hereof. Notwithstanding the foregoing, the inability of the Company to obtain, from any regulatory body of appropriate jurisdiction, authority considered by the Company to be necessary or desirable to

the lawful issuance of any shares of its Common Stock hereunder shall relieve the Company of any liability in respect of the non-issuance or sale of such Common Stock as to which such requisite authority shall not have been obtained.

5.7 Application of Funds. The proceeds received by the Company from the sale of Common Stock upon the exercise of Options will be used for general corporate purposes.

5.8 No Obligation to Exercise. The aware of an Option under this Plan shall impose no obligation upon the Optionee to exercise that Option.

5.9 Approval of Stockholders. No options awarded pursuant to this Plan shall be exercisable by an Optionee or enforceable against the Company unless and until the Plan shall have been ratified by the stockholders of the Company so as to comply with the requirements of Rule 16b-3 of the Securities and Exchange Commission.

FORMULA STOCK OPTION AGREEMENT AND GRANT

PURSUANT TO

SPEEDWAY MOTORSPORTS, INC. FORMULA STOCK OPTION PLAN

This Formula Stock Option Agreement and Grant is entered into as of this ------ day of January, -------- between Speedway Motorsports, Inc., a Delaware corporation (the "Company"), and -------, (the "Optionee").

WHEREAS, the Company and its stockholders have approved the Speedway Motorsports, Inc. Formula Stock Option Plan (the "plan") pursuant to which the Company may from time to time, make awards of Options (as defined below) and enter into Formula Stock Option Agreements with Independent Directors of the Company (as defined below);

WHEREAS, pursuant to the Plan, the Company has determined to grant to the Optionee an Option to purchase Common Stock (as defined below) of the Company, which Option shall be subject to the terms and conditions of this Formula Stock Option Agreement and Grant;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the parties hereby agree as follows:

1. Definitions.

For the purposes of this Formula Stock Option Agreement and Grant, the following terms shall have the meanings indicated:

(a) "Act" shall mean the Securities Act of 1933, as amended.

(b) "Board" shall mean the Board of Directors of the Company

(c) "Cause" shall mean any act, action or series of acts or actions or any omission, omissions, or series of omissions which result in, or which have the effect of resulting in, (i) the commission of a crime by the Optionee involving moral turpitude, which crime has a material adverse impact on the Company, (ii) gross negligence or willful misconduct which is continuous and results in material damage to the Company, or (iii) the continuous, willful failure of the person in question to follow the reasonable directives of the Board of Directors.

(d) "Code" shall mean the Internal Revenue Code of 1986, as amended, and any successor revenue laws of the United States.

(e) "Committee" shall mean the Board, constituted as a committee composed of all Directors other than the Independent Directors.

(f) "Common Stock" shall mean the Common Stock, par value $.0l per share, of the Company.

(g) "Company" shall mean Speedway Motorsports, Inc., a Delaware corporation.

(h) "Disability" shall mean the inability or failure of a person to perform those duties for the Company traditionally assigned to and performed by such person for a period greater than 90 days because of the person's then-existing physical or mental condition, impairment or incapacity. The fact of the disability shall be determined by the Committee, which may consider such evidence as it considered desirable under the circumstances, the determination of which shall be final and binding upon all parties.

(i) "Exercise Date" shall mean the business day, during the Option Period, upon which the Optionee delivers to the Company the written notice and consideration contemplated by Section 5(c) of the Plan.

(j) "Fair Market Value" shall mean, with respect to the Common Stock on any day, its market value determined as provided in Section 5(c) of the Plan.

(k) "Involuntary Termination Without Cause" shall mean either (i) the dismissal of, or the request for the resignation of, a person, by court order, order of any court-appointed liquidator or trustee of the Company, or the order or request of any creditors' committee of the Company constituted under the federal bankruptcy laws, provided that such order or request contains no specific reference to Cause; or (ii) the dismissal of, or the request for resignation of, a person, by duly constituted corporate officer of the Company, or by the Board, for any reason other than for Cause.

(1) "Independent Director" shall mean any Director other than a Director who, at the time of an option award to such Director hereunder, is a full-time employee of the Company or a subsidiary of the Company.

(m) "Notice" shall have the meaning indicated in paragraph 3 below.
(n) "Option" shall mean the option to purchase shares of Common Stock granted to the Optionee pursuant to this Option Agreement.

(o) "Option Agreement" shall mean this Formula Stock Option Agreement and Grant between the Company and the Optionee by which the Option is granted to the Optionee pursuant to the Plan.

(p) "Option Period" shall mean the period commencing on the date that is six months after the date of this Option Agreement and ending at the close of business ten years from the date hereof or such earlier date as when this Option Agreement may be terminated by its terms.

(q) "Option Shares" shall mean the shares of Common Stock purchased upon exercise of the Option.

(r) "Optionee" shall mean the individual executing this Option Agreement and, as applicable, the estate, personal representatives or beneficiary to whom this Option may

be transferred pursuant to this Option Agreement by will, by the laws of descent or distribution or pursuant to a qualified domestic relations order as defined by the Code.

(r) "Plan" shall mean the Speedway Motorsports, Inc. Formula Stock Option Plan and any amendments thereto.

(s) "Retirement" shall mean, with respect to the Optionee, retirement from the Company in accordance with the Company's retirement policy as may be in effect from time to time.

(t) "Subsidiary" shall mean any subsidiary corporation of Speedway Motorsports, Inc. as defined in Sections 424(f) and 424(g) of the Code. (u) "Termination" shall mean the cessation, for any reason, of the employer-employee relationship between the Company and the Optionee.

(v) "Total Option Price" shall mean the consideration payable to the Company by the Optionee upon exercise of the Option pursuant to Section 5(c) of the Plan.

2. Grant of Option. Effective upon the date hereof, and subject to the terms and conditions set forth herein, the Company hereby grants to the Optionee the Option to purchase from the Company, at an exercise price of $-------- per share (the per share Fair Market Value of the Common Stock on the date hereof), up to but not exceeding in the aggregate 20,000 shares of Common Stock.

3. Exercise of Option. The Option granted in paragraph 2 above may be exercised as follows:

(a) The Option shall be exercisable at any time and from time to time during the Option Period. The Option shall terminate on the expiration of the Option Period, if not earlier terminated; provided that, in the event of the Optionee's Retirement, the Committee in its sole and absolute discretion may accelerate the Exercise Date, which acceleration may, in the sole discretion of the Committee, be subject to further terms and conditions mandated by the Committee.

(b) No less than 100 shares of Common Stock may be purchased on any Exercise Date unless the number of shares purchased at such time is the total number of shares in respect of which the Option is then exercisable.

(c) If at any time and for any reason the Option covers a fraction of a share, then, upon exercise of the Option, the Optionee shall receive the Fair Market Value of such fractional share in cash.

(d) The option shall be exercised by the Optionee in accordance with the terms and conditions of Section 5(c) of the Plan.

(e) Within 15 days after the Exercise Date, subject to the receipt of payment of the Total Option Price and of any payment in cash of federal, state or local income tax

withholding or other employment tax may be due upon the issuance of the Option Shares as determined and computed by the Company pursuant to paragraph 6 below, the Company shall issue to the Optionee the number of shares with respect to which such Option shall be so exercised and shall deliver to the Optionee a certificate or certificates therefor.

(f) The Option is not transferable or assignable by the Optionee, except that, subject to the provisions of Paragraph 4, the Option may be transferred by will or the laws of descent or distribution or pursuant to a qualified domestic relations order as defined by the Code or Title I of the Employee Retired Income Security Act, or the rules thereunder.

4. Termination. The Option granted hereby shall terminate and be of no force or effect upon and following the occurrence of any of the following events:

(a) The expiration of the Option Period.

(b) The Termination of the Optionee's status as an Independent Director incidental to conduct that in the judgment of the Committee, involves a breach of fiduciary duty by such Independent Director or other conduct detrimental to the Company, then his or her Option shall terminate immediately and thereafter be of no force or effect.

(c) In the event of death of the Optionee or if the Option is transferred pursuant to a qualified domestic relations order prior to the exercise in full of the Option, then such option may be exercised not later than the expiration of twelve months following such death or transfer, as the case may be, by the person or persons to whom his or her rights under the Option shall have been transferred by reason thereof, but only to the extent that such Option was exercisable on the date of such death or transfer. Not withstanding anything to the contrary, an option may not be exercised by anyone after the expiration of its term.

(f) To the extent set forth in paragraph 7, below, upon the dissolution, liquidation, consolidation or merger of the Company, and, to the extent set forth in subparagraph 3(f), above, upon an attempted assignment or transfer of the Option otherwise than as expressly permitted herein.

Any determination made by the Committee with respect to any matter referred to in this paragraph 4 shall be final and conclusive on all persons affected thereby.

5. Rights as Stockholder. An Optionee shall have no rights as a stockholder of the Company with respect to any shares underlying the Option until the day of the issuance of a stock certificate to him or her for those shares upon payment of the exercise price in accordance with the terms and provisions hereof. Subject to paragraph 7, below, no adjustments shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions or other rights for which the record date is prior to the date such stock certificate is issued.

6. Payment of Withholding. Taxes. Upon the Optionee's exercise of his or her Option with respect to any of the Option Shares in accordance with the provisions of paragraph 3, above, the Optionee shall pay to the Company upon exercise of the Option the amount of any federal, state or local income tax withholding or other employment tax that may be due upon

such exercise. The determination of the amount of any such federal, state or local tax withholding or other employment tax due in such event shall be made by the Company and shall be binding upon the Optionee.

7. Recapitalization; Reorganization. The shares underlying this Option are shares of Common Stock as constituted on the date of this Agreement, but if, during the Option Period and prior to the delivery by the Company of all of the shares of Common Stock with respect to which this Option is granted, the Company shall effect a subdivision or consolidation of shares or other capital readjustment, the payment of a stock dividend or some other increase or decrease in the number of shares of Common Stock outstanding, without receiving compensation therefor in money, services or property , then, (a) in the event of any increase in the number of such shares outstanding, the number of shares of Common Stock then remaining subject to the Option shall be proportionately increased (except that any fraction of a share resulting from any such adjustment shall be excluded from the operation of this Option Agreement), and the exercise price per share shall be proportionately reduced, and, (b) in the event of a reduction in the number of such shares outstanding, the number of shares of Common Stock then remaining subject to this Option shall be proportionately reduced (except that any fractional share resulting from any such adjustment shall be excluded from the operation of this Option Agreement), and the exercise price per share shall be proportionately increased.

In the event of a merger of one or more corporations into the Company with respect to which the Company shall be the surviving or resulting corporation, the. Optionee shall, at no additional cost, be entitled upon any exercise of this Option to receive (subject to any required action by shareholders), in lieu of the number of shares as to which this Option shall then be so exercised, the number and class of shares of stock or other securities to which the Optionee would have been entitled pursuant to the terms of the agreement of merger if, immediately prior to such merger, the Optionee had been the holder of record of a number of shares of Common Stock of the Company equal to the number of shares as to which such Option shall be so exercised; provided, however, that, anything herein contained to the contrary notwithstanding, upon the occurrence of any event described in Section 5(g) of the Plan, this Option shall be subject to acceleration as provided in such Section 5(g).

In the event of a change in the Common Stock as presently constituted, which change is limited to a change of all the authorized shares with par value into the same number of shares with a different par value or without par value, the shares resulting from any such change shall be deemed to be the Common Stock within the meaning of the Plan.

The existence of this Option shall not affect in any way the right or power of the Company or its shareholders to make or authorize any or all adjustments, dividends, stock dividends, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue bonds, debentures, preferred or other stocks with preference ahead of or convertible into, or otherwise affecting, the Common Stock or the rights thereof, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

8. No Registration Rights. Anything in this Option Agreement to the contrary notwithstanding, if, at any time specified herein for the issuance of Option Shares, any law, regulation or requirements of any governmental authority having jurisdiction in the premises shall require either the Company or the Optionee, in the opinion of the Company's counsel, to take any action in connection with the shares then to be issued, the issue of such shares shall be deferred until such action shall have been taken. Nothing in this Option Agreement shall be construed to obligate the Company at any time to file or maintain the effectiveness of a registration statement under the Act, or under the securities laws of any state or other jurisdiction, or to take or cause to be taken any action which may be necessary in order to provide an exemption from the registration requirements of the Act under Rule 144 or any other exemption with respect to the Option Shares or otherwise for resale or other transfer by the Optionee (or by the executor or administrator of such Optionee's estate or a person who acquired the Option or any Option Shares or other rights by bequest or inheritance or by reason of the death of the Optionee) as a result of the exercise of an Option granted pursuant to this Option Agreement.

9. Resolution of Disputes. Any disputes or disagreement that arises under, or as a result of, or pursuant to, this Option Agreement shall be determined by the Committee in its absolute and uncontrolled discretion, and any such determination or other determination by the Committee under or pursuant to this Option Agreement, and any interpretation by the Committee of the terms of this Option Agreement, shall be final, binding and conclusive on all parties affected thereby.

10. Compliance with the Act. Notwithstanding any provision herein to the contrary or in the Plan, the Company shall be under no obligation to issue any shares of Common Stock to the Optionee upon exercise of the Option granted hereby unless and until the Company has determined that such issuance is either exempt from registration, or is registered, under the Act and is either exempt from registration and qualification, or is registered or qualified, as applicable, under all applicable state securities or "blue sky" laws.

11. Miscellaneous.

(a) Binding on Successors and Representatives. This Option Agreement shall be binding not only upon the parties, but also upon their heirs, executors, administrators, personal representatives, successors, and assigns (including any transfer of a party to this Agreement); and the parties agree, for themselves and their successors, assigns and representatives, to execute any instrument which may be necessary legally to effect the terms and conditions of this Option Agreement.

(b) Entire Agreement. This Option Agreement, together with the Plan, constitutes the entire agreement of the parties with respect to the Option and supersedes any previous agreement, whether written or oral, with respect thereto. This Option Agreement has been entered into in compliance with the terms of the Plan; wherever a conflict may arise between the terms of this Option Agreement and the terms of the Plan, the terms of the Plan shall control.

(c) Amendment. Neither this Option Agreement nor any of the terms and conditions herein set forth may be altered or amended orally, and any such alteration or amendment shall be effective only when reduced to writing and signed by each of the parties or their respective successors and assigns.

(d) Construction of Terms. Any reference herein to the singular or plural shall be construed as plural or singular whenever the context requires.

(e) Notices. All notices, requests and amendments under this Option Agreement shall be in writing, and notices shall be deemed to have been given when personally delivered or sent prepaid registered mail:

(i) if to the Company, at the following address:

Speedway Motorsports Inc.

U.S. Highway 20 North

P.O. Box 600

Concord, NC 28026-0600

Attention: Secretary

or at such other address a the Company shall designate by notice.

(ii) if to the Optionee, to the Optionee's address appearing in the Company's employment records, or at such other address as the Optionee shall designate by notice.

(f) Governing Law. This Option Agreement shall be governed by, and construed in accordance with, the laws of the State of North Carolina (excluding the principles of conflict of laws thereof.)

(g) Severability. The invalidity or unenforceability of any particular provision of this Option Agreement shall not affect the other provision hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

IN WITNESS WHEREOF, the parties hereto have executed this Option Agreement as of the day and year first written above.

SPEEDWAY MOTORSPORTS, INC.

Bruton Smith

Chairman and Chief Executive Officer

OPTIONEE:

_____(SEAL)