

CIRCUIT OF THE AMERICAS

301 CONGRESS AVENUE, SUITE 200
AUSTIN, TEXAS 78701-2744

July 3, 2012

Mr. Marc A. Ott
City Manager
City of Austin
P. O. Box 10898
Austin, Texas 78767

RE: *Modification of the Parties of the Agreement (the "Agreement") between the City of Austin ("City") and Circuit of the Americas, L.L.C. ("COTA"), executed and effective July 31, 2011, pertaining to the Major Event Trust Fund ("METF")*

Dear Mr. Ott:

On June 29, 2011, council authorized you to negotiate and execute the Agreement noted above (Resolution No. 20110629-002). Pursuant to that authorization, you negotiated and executed the Agreement. The Agreement includes specific authority for the City and CELOC to modify the obligations relating to the METF if that modification is done in writing (Agreement page 6, item D). This letter is to clarify and confirm certain terms and provisions of the Agreement due to changed circumstances since the City and COTA executed the Agreement. Those circumstances include a change in the 2012 – 2021 Formula 1 United States Grand Prix (the "Events") initial race date and a change in application and qualification under the METF for the 2012 event from pre-event, advance funding ("*Advance Funding*") to post-event reimbursement funding, the City is no longer required to and has not entered into an interlocal agreement with the Texas Comptroller of Public Accounts ("*Comptroller*") pertaining to the METF to be established for the Events. Now therefore, by the signatures below, the City and COTA acknowledge and agree as follows:

1. Unless and until (a) CELOC applies for, (b) the Comptroller approves Advance Funding under the METF, and (c) the City and the Comptroller execute and deliver an interlocal agreement in compliance with Sections 5A(r)-(s) of the Act on terms and conditions mutually acceptable to the City, the Comptroller, and CELOC (collectively, the "Advanced Funding Conditions"), Sections 14(C)(1) and 25(B)(2), with respect to the phrase "the Interlocal Agreement", of the Agreement are waived in their entirety; however, if during the term of the Agreement, the Advanced Funding Conditions are met, Sections 14(C)(1) and 25(B)(2) of the Agreement shall automatically be reinstated and effective as originally written in the Agreement (*i.e.*, prior to modification by this letter).
2. According to Section 7 of the Agreement, the effective date of the Agreement is the date both parties signed the Agreement, which is July 31, 2011.

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3. The City and COTA confirm and ratify that, as of the date of the letter, the Agreement is and remains in good standing, in full force and effect, and unchanged except as amended by this letter. Any conflict or ambiguity between the Agreement and this letter shall be controlled by this letter.
4. All terms used in this letter shall have the same meaning as in the Agreement, except as otherwise defined in this letter.
5. This letter is executed and delivered in multiple counterparts, each of which shall have the force and effect of an original.

Please indicate your acceptance and agreement by signing below, and return an original executed counterpart of this letter to me at the letterhead address above.

Sincerely,

CIRCUIT OF THE AMERICAS, L.L.C.

By: _____

Steve Sexton, President

ACCEPTED AND AGREED:

CITY OF AUSTIN, TEXAS

By: _____

Marc A Ott, City Manager

Date: 7/5/12