

SONIC AUTOMOTIVE INC
Form SC 13D/A
October 09, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934

(Amendment No. 3)*

Sonic Automotive, Inc.

(Name of Issuer)

Class A Common Stock, par value \$0.01 per share

(Title of Class of Securities)

83545G 10 2

(CUSIP Number)

R. Douglas Harmon

Parker Poe Adams & Bernstein LLP

401 South Tryon Street, Suite 3000

Charlotte, North Carolina 28202

(704) 372-9000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

September 27, 2018

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to *the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Schedule 13D/A

CUSIP No. 83545G 10 2

Page 1 of 9 Pages

NAME OF REPORTING PERSON:

1

Sonic Financial Corporation

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a) (b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

WC and OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS

5

2(d) OR 2(e):

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

North Carolina

SOLE VOTING POWER:

7

9,858,125¹

SHARED VOTING POWER:

NUMBER OF

8

SHARES

0

BENEFICIALLY

SOLE DISPOSITIVE POWER:

OWNED BY 9

EACH

10

9,858,125¹

SHARED DISPOSITIVE POWER:

REPORTING

PERSON

WITH

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

11

9,858,125

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

13

23.1%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):

14

CO

Includes 9,858,125 shares of Sonic Automotive, Inc.'s Class A Common Stock that can be acquired, upon the election of the reporting person, through the conversion of 9,858,125 shares of Sonic Automotive, Inc.'s Class B Common Stock owned directly by the reporting person.

Schedule 13D/A

CUSIP No. 83545G 10 2

Page 2 of 9 Pages

NAME OF REPORTING PERSON:

1

O. Bruton Smith

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a) (b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

PF and OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS

5

2(d) OR 2(e):

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

United States of America

SOLE VOTING POWER:

7

2,891,324²

SHARED VOTING POWER:

NUMBER OF

8

SHARES

9,858,125³

BENEFICIALLY

SOLE DISPOSITIVE POWER:

OWNED BY 9

EACH

2,891,324²

10

SHARED DISPOSITIVE POWER:

REPORTING

PERSON

WITH

9,858,125³

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

11

12,749,449

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCT

12

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

13

29.9%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):

14

IN

2

Includes (i) 720,074 shares of Sonic Automotive, Inc.'s Class A Common Stock owned directly by the reporting person, and (ii) 2,171,250 shares of Sonic Automotive, Inc.'s Class A Common Stock that can be acquired, upon the election of the reporting person, through the conversion of 2,171,250 shares of Sonic Automotive, Inc.'s Class B Common Stock owned directly by the reporting person

Includes 9,858,125 shares of Sonic Automotive, Inc.'s Class A Common Stock that can be acquired, upon the election of SFC, through the conversion of 9,858,125 shares of Sonic Automotive, Inc.'s Class B Common Stock owned indirectly by the reporting person (and directly by SFC).

Schedule 13D/A

CUSIP No. 83545G 10 2

Page 3 of 9 Pages

NAME OF REPORTING PERSON:

1

B. Scott Smith

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a) (b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

PF and OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS

5

2(d) OR 2(e):

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

United States of America

SOLE VOTING POWER:

7

316,306⁴

SHARED VOTING POWER:

NUMBER OF

8

SHARES

9,858,125⁵

BENEFICIALLY

SOLE DISPOSITIVE POWER:

OWNED BY 9

EACH

10

316,306⁴

SHARED DISPOSITIVE POWER:

REPORTING

PERSON

WITH

9,858,125⁵

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

11

10,174,431

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCT

12

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

13

23.8%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):

14

IN

⁴ Represents 316,306 shares of Sonic Automotive, Inc.'s Class A Common Stock owned directly by the reporting person.

Represents 9,858,125 shares of Sonic Automotive, Inc.'s Class A Common Stock that can be acquired, upon the election of SFC, through the conversion of 9,858,125 shares of Sonic Automotive, Inc.'s Class B Common Stock owned indirectly by the reporting person (and directly by SFC).

Schedule 13D/A

CUSIP No. 83545G 10 2

Page 4 of 9 Pages

NAME OF REPORTING PERSON:

1

David Bruton Smith

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a) (b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

PF and OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS

5

2(d) OR 2(e):

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

United States of America

SOLE VOTING POWER:

7

190,376⁶

SHARED VOTING POWER:

NUMBER OF

8

SHARES

9,858,125⁷

BENEFICIALLY

SOLE DISPOSITIVE POWER:

OWNED BY 9

EACH

10

190,376⁶

SHARED DISPOSITIVE POWER:

REPORTING

PERSON

WITH

9,858,125⁷

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

11

10,048,501

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

13

23.5%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):

14

IN

⁶ Represents 190,376 shares of Sonic Automotive, Inc.'s Class A Common Stock owned directly by the reporting person.

⁷ Represents 9,858,125 shares of Sonic Automotive, Inc.'s Class A Common Stock that can be acquired, upon the election of SFC, through the conversion of 9,858,125 shares of Sonic Automotive, Inc.'s Class B Common Stock owned indirectly by the reporting person (and directly by SFC).

Schedule 13D/A

CUSIP No. 83545G 10 2

Page 5 of 9 Pages

NAME OF REPORTING PERSON:

1

Marcus G. Smith

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

2

(a) (b)

SEC USE ONLY:

3

SOURCE OF FUNDS (SEE INSTRUCTIONS):

4

PF and OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS

5

2(d) OR 2(e):

CITIZENSHIP OR PLACE OF ORGANIZATION:

6

United States of America

SOLE VOTING POWER:

7

18,321⁸

SHARED VOTING POWER:

NUMBER OF

8

SHARES

9,858,125⁹

BENEFICIALLY

SOLE DISPOSITIVE POWER:

OWNED BY 9

EACH

10

18,321⁸

SHARED DISPOSITIVE POWER:

REPORTING

PERSON

WITH

9,858,125⁹

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:

11

9,876,446

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

13

23.1%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):

14

IN

⁸ Represents 18,321 shares of Sonic Automotive, Inc.'s Class A Common Stock owned directly by the reporting person.

Represents 9,858,125 shares of Sonic Automotive, Inc.'s Class A Common Stock that can be acquired, upon the election of SFC, through the conversion of 9,858,125 shares of Sonic Automotive, Inc.'s Class B Common Stock owned indirectly by the reporting person (and directly by SFC).

Schedule 13D/A

CUSIP No. 83545G 10 2

Page 6 of 9 Pages

Explanatory Note. This Amendment No. 3 (this "Amendment") amends and supplements the Schedule 13D originally filed jointly by Sonic Financial Corporation ("SFC") and Mr. O. Bruton Smith ("Bruton Smith") with the Securities and Exchange Commission (the "SEC") on November 19, 1997, as amended by Amendment No. 1 to the Schedule 13D filed jointly by SFC and Bruton Smith with the SEC on January 10, 2013 and by Amendment No. 2 to the Schedule 13D filed jointly by SFC, Bruton Smith, B. Scott Smith ("Scott Smith"), David B. Smith ("David Smith") and Marcus G. Smith ("Marcus Smith" and, collectively, the "Reporting Persons") on June 24, 2015 (as amended, the "Schedule 13D"). Except as provided herein, this Amendment does not modify any of the information previously reported on the Schedule 13D. Capitalized terms used but not otherwise defined in this Amendment shall have the meanings ascribed to such terms in the Schedule 13D.

This Amendment is being filed to report that on September 27, 2018, SFC acquired, in a private transaction, 976,875 shares of Class B Common Stock owned directly and indirectly by Scott Smith (the "Transaction").

Item 1. Security and Issuer.

This Amendment relates to the Class A Common Stock, par value \$0.01 per share (the "Class A Common Stock"), of Sonic Automotive, Inc., a Delaware corporation (the "Issuer"). The address of the Issuer's principal executive offices is 4401 Colwick Road, Charlotte, North Carolina 28211.

Item 2. Identity and Background.

This Amendment is being filed jointly by: (i) SFC, a North Carolina corporation, (ii) Bruton Smith, a United States citizen, (iii) Scott Smith, a United States citizen, (iv) David Smith, a United States citizen, and (v) Marcus Smith, a United States citizen. SFC holds securities of the Issuer and Speedway Motorsports, Inc., a Delaware corporation ("SMI"), and conducts certain other activities. The directors of SFC are listed on Attachment A. The executive officers of SFC are Bruton Smith, Chief Executive Officer and President Scott Smith, Executive Vice President David Smith, Executive Vice President and Marcus Smith, Executive Vice President. Each of the executive officers of SFC is a shareholder of, but does not have voting control over, SFC. The principal office and business address of SFC and its directors and Bruton Smith, Scott Smith, David Smith and Marcus Smith is 5401 East Independence Boulevard, Charlotte, North Carolina 28212. Bruton Smith is the Executive Chairman of the Issuer and SMI. The Issuer is one of the largest automotive retailers in the United States, as measured by total revenues, and its principal office address is 4401 Colwick Road, Charlotte, North Carolina 28211. SMI is a leading promoter, marketer and sponsor of motorsports activities in the United States, and its principal office address is 5555 Concord Parkway South, Concord, North Carolina 28027. Scott Smith serves as Co-Founder of the Issuer. David Smith is the Chief Executive Officer of

the Issuer. Marcus Smith is the Chief Executive Officer and President of SMI.

During the last five years, neither SFC and its directors nor Bruton Smith, Scott Smith, David Smith or Marcus Smith has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration.

SFC acquired 900,765 shares of Class B Common Stock owned indirectly by Scott Smith and 76,110 of Class B Common Stock owned directly by Scott Smith in a private transaction at a price of \$21.44 per share, which is equal to the daily average closing price per share for the Issuer's common stock for the 30 trading days ending September 21, 2018. SFC funded the acquisition using cash-on-hand.

Prior to the Issuer's public offering in 1997, 8,881,250 shares of Class A Common Stock that were beneficially owned by the Reporting Persons were acquired by SFC as part of the Issuer's reorganization and capital restructuring involving the issuance of shares of Class B Common Stock by the Issuer. The Class B Common Stock is convertible into an equal number of shares of Class A Common Stock upon the holder's election or under other limited circumstances. Bruton Smith beneficially owns directly 2,891,324 shares of Class A Common Stock that have been acquired upon the exercise of stock options and restricted stock unit awards under the Issuer's stock issuance plans or in open-market and other purchases using personal funds and resources, as well as acquisition in his individual capacity as part of the Issuer's reorganization and capital restructuring involving the issuance of shares of Class B Common Stock by the Issuer just prior to its initial public offering in 1997. Scott Smith beneficially owns directly 316,306 shares of Class A Common Stock that have been acquired upon the exercise of stock options and restricted stock unit awards under the Issuer's stock issuance plans or in open-market and other purchases using personal funds and resources, as well as acquisition in his individual capacity as part of the Issuer's reorganization and capital restructuring involving the issuance of shares of Class B Common Stock by the Issuer just prior to its initial public offering in 1997. David Smith beneficially owns directly 190,376 shares of Class A Common Stock that have been acquired upon the exercise of stock options and restricted stock unit awards under the Issuer's stock issuance plans or in open-market and other purchases using personal funds and resources. Marcus Smith beneficially owns directly 18,321 shares of Class A Common Stock that have been acquired in open-market and other purchases using personal funds and resources.

Item 4. Purpose of Transaction.

The Reporting Persons initially acquired shares of Class B Common Stock as part of the Issuer's reorganization and capital restructuring in connection with its initial public offering in 1997. Their purpose in acquiring these and subsequent shares was to maintain voting control over the Issuer by the Smith family. The Reporting Persons may,

from time to time, depending on market conditions and other factors deemed relevant by them, acquire additional shares of Class A Common Stock, and they reserve the right to, and may in the future choose to, change this purpose with respect to this investment and take such actions as they deem appropriate in light of the circumstances including, without limitation, to dispose of, in the open market, in a private transaction or by gift, all or a portion of the shares of Common Stock which they now beneficially own or may hereafter acquire.

Except as described herein, the Reporting Persons do not have any present plans or proposals which relate to, or would result in, (i) the acquisition of additional securities of the Issuer (ii) the disposition of securities of the Issuer (iii) an extraordinary corporate transaction involving the Issuer or any of its subsidiaries (iv) a sale or transfer of a material amount of the Issuer's or any of its subsidiaries' assets (v) a change in the present board of directors or management of the Issuer (vi) a material change in the present capitalization or dividend policy of the Issuer (vii) any other material change in the Issuer's business or corporate structure (viii) a change in the Issuer's charter or bylaws or other actions which may impede the acquisition of control of the Issuer by any person (ix) the delisting or deregistration of any of the Issuer's securities or (x) any action similar to any of the actions listed in (i) through (ix) above.

Item 5. Interest in Securities of the Issuer.

(a) As of the date of this report,

(i) SFC beneficially owned 9,858,125 shares of Class A Common Stock, including 9,858,125 shares of Class A Common Stock that can be acquired, upon the election of SFC, through the conversion of 9,858,125 shares of the Issuer's Class B Common Stock owned directly by SFC

(ii) Bruton Smith beneficially owned an aggregate of 12,749,449 shares of Class A Common Stock, including 720,074 shares of Class A Common Stock owned directly by Bruton Smith, 2,171,250 shares of Class A Common Stock that can be acquired, upon the election of Bruton Smith, through the conversion of 2,171,250 shares of the Issuer's Class B Common Stock owned directly by Bruton Smith, and 9,858,125 shares of Class A Common Stock that can be acquired, upon the election of SFC, through the conversion of 9,858,125 shares of the Issuer's Class B Common Stock owned indirectly by Bruton Smith

(iii) Scott Smith beneficially owned an aggregate of 10,174,431 shares of Class A Common Stock, including 316,306 shares of Class A Common Stock owned directly by Scott Smith, and 9,858,125 shares of Class A Common Stock that can be acquired, upon the election of SFC, through the conversion of 9,858,125 shares of the Issuer's Class B Common Stock owned indirectly by Scott Smith

(iv) David Smith beneficially owned an aggregate of 10,048,501 shares of Class A Common Stock, including 190,376 shares of Class A Common Stock owned directly by David Smith, and 9,858,125 shares of Class A Common Stock that can be acquired, upon the election of SFC, through the conversion of 9,858,125 shares of the Issuer's Class B Common Stock owned indirectly by David Smith

(v) Marcus Smith beneficially owned an aggregate of 9,876,446 shares of Class A Common Stock, including 18,321 shares of Class A Common Stock owned directly by Marcus Smith, and 9,858,125 shares of Class A Common Stock that can be acquired, upon the election of SFC, through the conversion of 9,858,125 shares of the Issuer's Class B Common Stock owned indirectly by Marcus Smith

(vi) William R. Brooks ("William Brooks"), a director of SFC, beneficially owned an aggregate of 72,479 shares of Class A Common Stock, consisting of the 72,479 shares of Class A Common Stock owned directly by William Brooks and

(vii) Randall Storey, a director of SFC, did not beneficially own, directly or indirectly, any shares of Class A Common Stock.

All such share numbers are adjusted for a two-for-one stock split effected in the form of a dividend in 1999.

Bruton Smith's, Scott Smith's, David Smith's, Marcus Smith's and William Brooks' holdings represent approximately 29.9%, 23.8%, 23.5%, 23.1% and 0.1%, respectively, of the Issuer's common shares outstanding as of July 25, 2018, including SFC's holdings that represent approximately 23.1% (based upon 42,711,556 shares of Class A Common Stock deemed outstanding, assuming issuance of the 12,029,375 shares of Class A Common Stock upon conversion of the outstanding shares of Class B Common Stock). Shares beneficially owned by Bruton Smith, Scott Smith, David Smith, Marcus Smith and William Brooks represent approximately 80.2%, 65.5%, 65.4%, 65.3% and 0.05%, respectively, of the total voting power of the combined voting classes of the capital stock of the Issuer, with the SFC holdings representing approximately 65.3%.

(b) As of the date of this report,

(i) SFC had (A) sole power to vote or direct the voting of, and sole power to dispose or direct the disposition of, 9,858,125 shares of Class A Common Stock beneficially owned by it, consisting of the 9,858,125 shares of Class A Common Stock that can be acquired upon the conversion of the 9,858,125 shares of the Issuer's Class B Common Stock owned directly by it and (B) shared power to vote or direct the voting of, and shared power to dispose or direct the disposition of, no shares of Class A Common Stock beneficially owned by it

(ii) Bruton Smith had (A) sole power to vote or direct the voting of, and sole power to dispose or direct the disposition of, 2,891,324 shares of Class A Common Stock beneficially owned by him, including the 2,171,250 shares of Class A Common Stock that can be acquired upon the conversion of the 2,171,250 shares of the Issuer's Class B Common Stock owned directly by him, and 720,074 shares of Class A Common Stock owned directly by him and (B) shared power to vote or direct the voting of, and shared power to dispose or direct the disposition of, 9,858,125 shares of Class A Common Stock beneficially owned by him, consisting of the 9,858,125 shares of Class A Common Stock that can be acquired upon the conversion of the 9,858,125 shares of the Issuer's Class B Common Stock held by SFC

(iii) Scott Smith had (A) sole power to vote or direct the voting of, and sole power to dispose or direct the disposition of, 316,306 shares of Class A Common Stock beneficially owned directly by him and (B) shared power to vote or direct the voting of, and shared power to dispose or direct the disposition of, 9,858,125 shares of Class A Common Stock beneficially owned by him, consisting of the 9,858,125 shares of Class A Common Stock that can be acquired upon the conversion of the 9,858,125 shares of the Issuer's Class B Common Stock held by SFC

(iv) David Smith had (A) sole power to vote or direct the voting of, and sole power to dispose or direct the disposition of, 190,376 shares of Class A Common Stock beneficially owned directly by him and (B) shared power to vote or

direct the voting of, and shared power to dispose or direct the disposition of, 9,858,125 shares of Class A Common Stock beneficially owned by him, consisting of the 9,858,125 shares of Class A Common Stock that can be acquired upon the conversion of the 9,858,125 shares of the Issuer's Class B Common Stock held by SFC

(v) Marcus Smith had (A) sole power to vote or direct the voting of, and sole power to dispose or direct the disposition of, 18,321 shares of Class A Common Stock beneficially owned directly by him and (B) shared power to vote or direct the voting of, and shared power to dispose or direct the disposition of, 9,858,125 shares of Class A Common Stock beneficially owned by him, consisting of the 9,858,125 shares of Class A Common Stock that can be acquired upon the conversion of the 9,858,125 shares of the Issuer's Class B Common Stock held by SFC and

(vi) William Brooks had (A) sole power to vote or direct the voting of, and sole power to dispose or direct the disposition of, 72,479 shares of Class A Common Stock beneficially owned by him and (B) shared power to vote or direct the voting of, and shared power to dispose or direct the disposition of, no shares of Class A Common Stock beneficially owned by him.

All such share numbers are adjusted for a two-for-one stock split effected in the form of a dividend in 1999.

Schedule 13D/A

CUSIP No. 83545G 10 2

Page 8 of 9 Pages

(c) Other than the Transaction, SFC and its directors and Bruton Smith, Scott Smith, David Smith and Marcus Smith have not effected any transactions in the Class A Common Stock during the past 60 days.

(d) Not applicable.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

None.

Item 7. Material to be Filed as Exhibits.

Exhibit

Description

No.

99.1 Joint Filing Agreement, dated June 24, 2015 (incorporated by reference to Exhibit 99.1 to the Schedule 13D Amendment No. 2 filed June 24, 2015))

SIGNATURES

After reasonable inquiry and to the best of his or its knowledge and belief, each of the undersigned certifies that the information set forth in this Amendment is true, complete and correct.

Date: October 9, 2018

SONIC FINANCIAL CORPORATION

By: /s/ William R. Brooks
Name: William R. Brooks
Title: Vice President

/s/ O. Bruton Smith
O. BRUTON SMITH

/s/ B. Scott Smith
B. SCOTT SMITH

/s/ David Bruton Smith
DAVID BRUTON SMITH

/s/ Marcus G. Smith
MARCUS G. SMITH

Attachment A

SFC Directors

| Name | Principal Occupation or Employment | Citizenship |
|-------------------|------------------------------------------------------------------------------------|--------------------|
| O. Bruton Smith | Executive Chairman of Sonic Automotive, Inc. and Speedway Motorsports, Inc. | U.S. |
| William R. Brooks | Vice Chairman, Chief Financial Officer and Treasurer of Speedway Motorsports, Inc. | U.S. |
| Randall Storey | Senior Vice President and Tax Director of Speedway Motorsports, Inc. | U.S. |