

**SECOND AMENDMENT TO AGREEMENT
BETWEEN THE CITY OF DEL MAR AND
REDFLEX TRAFFIC SYSTEMS, INC. FOR
PHOTO ENFORCEMENT SERVICES**

This Second Amendment (the "Second Amendment") to Agreement between the City of Del Mar and Redflex Traffic Systems, Inc. for Photo Enforcement Services is executed this 21st day of June 2016 (the "Effective Date") by and between Redflex Traffic Systems, Inc. ("Redflex") and the City of Del Mar, California (the "City") (individually a "Party" and collectively the "Parties").

RECITALS

A. Redflex and the City previously entered into that certain agreement dated December 30, 2003 to provide automated red light photo enforcement in the City (the "Original Agreement");

B. The Original Agreement was amended on June 22, 2009 ("First Amendment") (the First Amendment together with the Original Agreement, the "Agreement");

C. The Initial Term of the Agreement expires on June 21, 2016;

D. The City is in the process of approving a year extension of the Term of the Agreement; and

E. Redflex and the City desire to amend the Agreement to extend the Term on a month to month basis while the City is in the process of approving a year extension.

The parties agree as follows:

TERMS AND CONDITIONS

1. Term of Agreement. Paragraph 1 of the First Amendment is amended by deleting the following:

"The Customer may exercise the right to extend the term of this agreement for a Renewal Term by providing written notice to Redflex not less than thirty (30) days prior to the last day of the Initial term or the Renewal Term, as the case may be."

and adding the following:

"At the conclusion of the Initial Term on June 21, 2016, the term of the Agreement will automatically extend on a month-to-month basis until the earlier of June 21, 2017 or written notice of termination to Redflex. Any notice terminating this month-to-month extension of the Agreement must be provided no later than the eleventh (11th) day of the month in which the City desires the month-to-month extension to expire. If a notice of termination is provided, the month-to-month extension will expire the twenty-first (21st) day of the month for

which timely notice is provided. The City may exercise its right to extend the term of this Agreement for a Renewal Term by providing written notice to Redflex not less than thirty (30) days prior to June 21, 2017 or the last day of the then current Renewal Term, as the case may be.”

The remainder of Paragraph 1 of the First Amendment shall remain unchanged by this Second Amendment.

2. Notices. Section 21 of the Original Agreement is amended to change the notice address for Redflex to the following:

Redflex Traffic Systems, Inc.
Attn: Legal Department
5651 W. Talavi Blvd., Suite 200
Glendale, AZ 85306
Facsimile: (623) 207-2056
Email: legaldepartment@redflex.com

3. Enforceability of Non-Amended Terms and Conditions. Except as expressly amended in this Second Amendment, the terms and conditions of the Agreement shall remain in full force and effect. To the extent that this Second Amendment conflicts with the terms and conditions of the Agreement, this Second Amendment shall control. Any capitalized terms not defined in the Second Amendment shall have the meanings ascribed to them in the First Amendment or Original Agreement.

CITY OF DEL MAR, CA

REDFLEX TRAFFIC SYSTEMS, INC.



Scott W. Huth
City Manager



Michael R. Finn
CEO and President