

**SECOND AMENDMENT TO
THE EXCLUSIVE AGREEMENT BETWEEN THE MOUNTAINS RECREATION AND
CONSERVATION AUTHORITY AND REDFLEX TRAFFIC SYSTEMS, INC., FOR
AUTOMATED STOP SIGN ENFORCEMENT SYSTEMS**

This Second Amendment to the Agreement is made this 6th day of June, 2012, by and between Redflex Traffic Systems, Inc., with offices at 5835A Uplander Way, Culver City, CA 90230 ("Redflex") and the Mountains Recreation and Conservation Authority, a public entity of the State of California, with offices at 2600 Franklin Canyon Drive, Beverly Hills, CA 90210 (the "Customer").

RECITALS

WHEREAS, Redflex and the Customer previously entered into a certain agreement dated the 22nd day of March, 2007, to provide automated stop sign within the Mountains Recreation and Conservation Authority; and

WHEREAS, Redflex has exclusive knowledge, possession and ownership of certain equipment, licenses, applications, and citation processes related to digital photo stop sign enforcement systems; and

WHEREAS, the Customer desires to engage the services of Redflex to provide certain equipment, processes and back office services so that Park Rangers of the Customer are able to monitor, identify and enforce stop sign violations; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for other valuable consideration received, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Paragraph 2.0 of the Agreement, entitled "TERM", is amended in its entirety to read as follows:

" The term of this Agreement shall commence as of the date hereof and shall continue for a period of four (4) years (the "Initial Term"). The customer shall have the right, but not the obligation, to extend the term of this Agreement for up to two (2) additional, consecutive and automatic two (2) year periods following the expiration of the Initial Term (each, a "Renewal Term" and collectively with the Initial Term, the "Term"). The customer may exercise the right not 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."

2. Exhibit "A" of the Agreement, entitled "Designated Intersection Approaches", is replaced in its entirety with the attached revised Attachment "A".
3. Attachment "D" of the Agreement, entitled "Compensation & Pricing", is replaced in its entirety with the attached revised Attachment "D".
4. All other provisions of the Agreement remain in effect.

EXHIBIT "A"
Designated Intersection Approaches

The Agreement is for the continued operational services of up to fifteen (15) Fixed Equipment Locations, to include the current seven (7) Fixed Equipment Locations.

The current Fixed Equipment Locations are as follows:

- 1 – 2600 Franklin Canyon Drive– N/B
- 2 – 2600 Franklin Canyon Drive– S/B
- 3 – 15601 Sunset Blvd / Temescal Canyon Park – E/B
- 4 – 15601 Sunset Blvd / Temescal Canyon Park – N/B
- 5 – Topanga Canyon Blvd. – W/B
- 6 – 3450 Reseda – N/B
- 7 - 2600 Franklin Canyon Dr. / Trailhead – N/B

EXHIBIT "D"
Compensation & Pricing

Fixed Monthly Fee

Tier One: Commencing on the execution of this Agreement, Customer shall be obligated to pay Redflex a fixed fee of \$3900.00 per Fixed Equipment Approach per month for the continued operation of the Fixed Equipment Approaches identified in Exhibit "A".

Tier Two: Effective June 20th, 2014, pricing for each Fixed Equipment Location Approach identified in Exhibit "A" shall be reduced to a monthly fee of \$3,750.00.

Tier Three: A New Fixed Equipment Approach means the installation of any new Fixed Equipment Locations over and above the current seven (7) Fixed Equipment Locations set forth in Exhibit "A". Customer shall be obligated to pay a fixed monthly fee of \$5200.00 for each new Fixed Equipment Approach. This pricing is subject to Approach Location at which time can be re-negotiated.

BUSINESS ASSUMPTIONS FOR ALL PRICING OPTIONS:

1. Each year, on the anniversary date of the contract, the pricing will increase by the CPI. CPI will be derived from the publication of the U.S. Department of Labor Consumer Price Index for U.S. City average.
2. Customer agrees to pay Redflex within thirty (30) days after the invoice is received. A monthly late fee of 1.5% is payable for amounts remaining unpaid 60 days from date of invoice.
3. Redflex construction will be able to utilize existing electrical utilities for installation where available.
4. Roadway/Intersection improvement projects: Customer shall reimburse Redflex the costs of replacing and/or modification of operational system approaches.
5. If a system is de-activated at the Customer's request due to a roadway construction in effect under 30 days, the monthly fee will be prorated. Any roadway construction project in effect over 30 days, will result in a monthly fee reduction of 50% per approach.

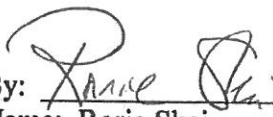
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

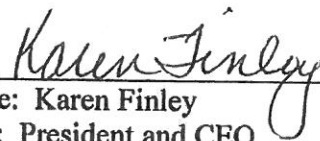
"CUSTOMER"

"REFLEX"

MOUNTAINS RECREATION AND
CONSERVATION AUTHORITY

REFLEX TRAFFIC SYSTEMS, Inc.

By: 
Name: Rorie Skei
Title: Chief Deputy Executive Officer

By: 
Name: Karen Finley
Title: President and CEO