

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

This Third Amendment (the "Third Amendment") to Exclusive Agreement Between the Mountains Recreation and Conservation Authority and Redflex Traffic Systems, Inc. for Automated Stop Sign Enforcement Systems is executed this 20th day of June 2016 (the "Effective Date") by and between Redflex Traffic Systems, Inc. ("Redflex") and the Mountains Recreation and Conservation Authority, a public entity of the State of California ("MRCA") (individually a "Party" and collectively the "Parties").

RECITALS

A. Redflex and MRCA previously entered into the Exclusive Agreement Between the Mountains Recreation and Conservation Authority and Redflex Traffic Systems, Inc. for Automated Stop Sign Enforcement Systems dated March 22, 2007 (the "Original Agreement");

B. The Original Agreement was amended on May 10, 2008 ("First Amendment") and on June 6, 2012 (the "Second Amendment") (the First and Second Amendments together with the Original Agreement, the "Agreement"); and

C. The Parties desire to amend the Agreement to extend the term and to otherwise modify the Agreement.

The parties agree as follows:

TERMS AND CONDITIONS

1. Term of Agreement. Pursuant to Paragraph 1 of the Second Amendment, MRCA exercises its right to extend the Term of the Agreement for two (2) additional, consecutive and automatic two (2) year periods. The Parties agree that the Term of the Agreement will expire on June 20, 2020.

2. Compensation. Exhibit D to the Agreement, entitled "Compensation & Pricing", is amended by deleting the following:

"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.”

and adding the following:

“Fixed Monthly Fee

“**Tier One:** Commencing on the Effective Date of the Third Amendment, Customer shall be obligated to pay Redflex a flat fee of \$3,500.00 per Fixed Equipment Location per month for the continued operation of the Fixed Equipment Locations identified on Exhibit “A”.

“**Tier Two:** A New Fixed Equipment Location means the installation of any new Fixed Equipment Locations over and above the current seven (7) Fixed Equipment Locations set forth on Exhibit “A”. Customer shall be obligated to pay a fixed monthly fee of \$5,200.00 for each New Fixed Equipment Location. This pricing may be re-negotiated if warranted by the particular circumstances associated with the location of a New Fixed Equipment Location.

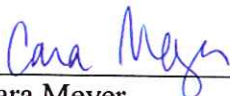
“To avoid any confusion, the capitalized term Fixed Equipment Location is interchangeable with and shall have the same meaning as Designated Equipment Location set forth in the Original Agreement.”

3. Notices. Paragraph 9 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

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

MOUNTAINS RECREATION AND
CONSERVATION AUTHORITY



Cara Meyer
Contracts Officer

REDFLEX TRAFFIC SYSTEMS, INC.



Michael R. Finn
CEO and President