

**Memorandum of Understanding  
between  
Redflex Traffic Systems, Inc.  
and the  
City of Laguna Woods**

This Memorandum of Understanding ("MOU") is made and entered into this \_\_\_\_ day of April 2013 ("Effective Date") by and among Redflex Traffic Systems, Inc. ("Redflex"), a Delaware corporation, and the City of Laguna Woods, a California municipal corporation ("City"). Redflex and the City are collectively referred to as the "Parties."

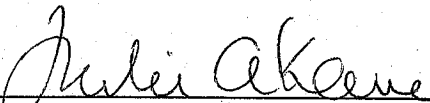
1. On July 11, 2005, the Parties entered into an Agreement for automated red light photo enforcement systems. The Agreement was amended in 2010, 2011, and 2012 (collectively the "Agreement").
2. The term of the Agreement will end on June 30, 2013 unless the City exercises its right to extend the term of the Agreement for up to one (1) additional twelve (12) month period.
3. Redflex desires to assist the City with temporarily reducing the financial cost of operating the red light photo enforcement systems due to unique conditions that exist currently for the City.

NOW THEREFORE, with no other changes to the terms or conditions of the Agreement, Redflex and the City hereby agree:

1. Upon the Effective Date, the term of the Agreement shall be extended for twelve (12) months beginning on July 1, 2013 and ending on June 30, 2014. This extension shall be without prejudice to the City's termination rights under the Agreement.
2. Redflex will decrease the amount the City would otherwise owe Redflex under the Agreement by \$6,250 per month for fifteen (15) months beginning on April 1, 2013 and ending on June 30, 2014.

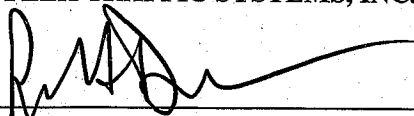
IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed the day and year first above written.

**CITY OF LAGUNA WOODS:**

By   
Leslie A. Keane, City Manager

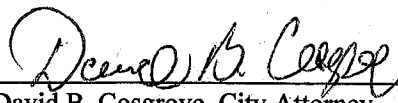
4/17/13  
Date

**REFLEX TRAFFIC SYSTEMS, INC.:**

By   
Robert DeVincenzi, CEO

4-5-13  
Date

**APPROVED AS TO FORM:**

  
David B. Cosgrove, City Attorney

4.17.13  
Date