

IN THE CIRCUIT COURT OF THE SEVENTH JUDICIAL CIRCUIT
IN AND FOR FLAGLER COUNTY, FLORIDA

WILLIAM G. MAYFIELD,
on behalf of himself and all
other persons similarly situated,

Plaintiff,

vs.

CASE NO. 2009-CA-002245

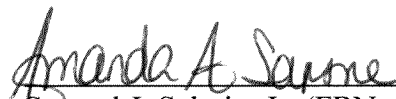
CITY OF PALM COAST,
AMERICAN TRAFFIC
SOLUTIONS, LLC, and
ATS AMERICAN TRAFFIC
SOLUTIONS, INC.,

Defendants.

FILED IN THE OFFICE
CLERK OF COURT
FLAGLER COUNTY, FLA.
2012 FEB 17 AM 11:22
BY _____
PAPER NO. _____

**NOTICE OF SETTLEMENT AND FILING
STIPULATION AND AGREEMENT OF SETTLEMENT**

Defendants, American Traffic Solutions, LLC and ATS American Traffic Solutions, Inc., hereby give notice to the Clerk of the Circuit Court, Flagler County, Florida, of the parties' Stipulation and Agreement of Settlement. A true and accurate copy of the Stipulation and Agreement of Settlement is attached hereto.




Samuel J. Salario, Jr. (FBN: 083460)
Amanda Arnold Sansone (FBN: 587311)
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*Counsel for Defendants American Traffic
Solutions, LLC and ATS American Traffic
Solutions, Inc.*

CERTIFICATE OF SERVICE

I hereby certify that on February 15th, 20121, a copy of the foregoing was sent by regular U.S. mail to the following: Jason D. Weisser, Esq. and David Kerner, Esq., Schuler, Halvorson & Weisser, P.A., 1615 Forum Place, Ste. 4-D, Barristers Building, West Palm Beach, FL 33401; Gary M. Glassman, Esq. and Usher L. Brown, Esq., Brown, Garganese, Weiss & D'Agresta, P.A., 111 North Orange Avenue, Suite 2000, Orlando, FL 32801-2327; and Bard D. Rockenbach, Esq. and Andrew A. Harris, Esq., Burlington & Rockenbach, P.A., 444 W. Railroad Avenue, Suite 430, West Palm Beach, FL 33409.



Attorney

IN THE CIRCUIT COURT OF THE SEVENTH JUDICIAL CIRCUIT
IN AND FOR FLAGLER COUNTY, FLORIDA

WILLIAM G. MAYFIELD,
on behalf of himself and all
other persons similarly situated,

Plaintiff,

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CASE NO. 2009-CA-002245

CITY OF PALM COAST,
AMERICAN TRAFFIC
SOLUTIONS, LLC, and
ATS AMERICAN TRAFFIC
SOLUTIONS, INC.,

Defendants.

STIPULATION AND AGREEMENT OF SETTLEMENT

*[As to Claims against American Traffic Solutions, LLC,
and ATS American Traffic Solutions, Inc. only]*

This Stipulation and Agreement of Settlement dated below (the "Stipulation"), is made and entered into by and among: (i) William G. Mayfield ("Lead Plaintiff"), on behalf of himself and the Settlement Class (as defined herein), by and through his respective counsel of record in the Litigation ("Lead Counsel"); and (ii) American Traffic Solutions LLC, and ATS American Traffic Solutions, Inc. (defined, together with certain other entities, at ¶ 1.5 of this Stipulation as "ATS"), by and through their counsel of record in the Litigation (as defined herein). Lead Plaintiff and ATS are collectively referred to as the "Settling Parties." The Stipulation is intended by the Settling Parties to fully, finally, and forever resolve, discharge and settle the Litigation between them and all Released Claims against all Released Persons (as defined herein), upon and subject to the terms and conditions in this Stipulation. The City of Palm Coast is not participating in this Stipulation.

I. THE LITIGATION

On or about August 25, 2009, the Lead Plaintiff filed this action, Case No. 2009-CA-002245 (the "Litigation"), in the Circuit Court for the Seventh Judicial Circuit in and for Flagler County (the "Court") on behalf of a putative class of all persons who had received a Notice of Violation pursuant to City of Palm Coast Code of Ordinances, Article III, Sections 38-81 through 38-95 (Ord. No. 07-585, Section 70-81 through 70-95, 1-8-2008), titled "Traffic Light Safety" (the "Ordinance"). On or about September 4, 2009, Lead Plaintiff filed his amended complaint, which contained the following claims: Count I for Violation of Federal Civil Rights Act 42 U.S.C. § 1983 against the City, Count II for Unjust Enrichment against the City and ATS, Count III for Tort of Conversion against the City and ATS, Count IV for Malicious Prosecution/Abuse of Process against ATS only, and Count V for Injunctive and Declaratory Relief against the City and ATS. Before the City and ATS responded to the amended complaint, the complaint was again amended. The second amended complaint omitted the federal claim, but alleged the following claims: Count I for Unjust Enrichment against the City and ATS, Count II for Tort of Conversion against the City and ATS, Count III for Malicious Prosecution/Abuse of Process against ATS only, and Count IV for Injunctive and Declaratory Relief against the City and ATS.

The City and ATS moved to dismiss the claims against them asserted in the second amended complaint. Alternatively, ATS moved the Court to require that Lead Plaintiff make a more definite statement of the claims. ATS also moved to strike the demand for attorneys' fees to the extent that the request was inconsistent with the attorneys' fees potentially available to counsel for Lead Plaintiff pursuant to the so-called "common fund" doctrine. On or about, January 31, 2011, the Court entered an order granting these motions and gave Lead Plaintiff leave to amend his amended complaint.

On March 1, 2011, Lead Plaintiff filed his Class Action Third Amended Complaint for Civil Damages and Declaratory Relief (the “Complaint”), which is the operative complaint in the Litigation. The Complaint asserts the following claims against the City and ATS: Count I for Unjust Enrichment, Count II for Tort of Conversion, and Count III for Declaratory Relief. The Complaint also narrowed the putative class to “all who have been cited and paid fines to the Defendants prior to July 1, 2010 for violations of the ordinance . . .” (Compl. ¶ 32).

Lead Plaintiff alleges in the Complaint that the Ordinance is invalid under Chapters 316 and 318 of the Florida Statutes and Article V and Article VIII, Section 2(b), of the Florida Constitution and incorporates these allegations by reference into each Count of the Complaint. In particular, Lead Plaintiff alleges that the Ordinance is invalid because (1) Chapters 316 and 318 of the Florida Statutes preempt all regulation and enforcement of red light violations to the State of Florida and (2) the Ordinance violates provisions relating to the establishment of a court system in Article V of the Florida constitution. ATS and the City filed motions to dismiss the Complaint, and those motions are currently pending before the Court.

Beginning in early 2011, Lead Counsel and Counsel for ATS began having discussions about a possible settlement of the Litigation between ATS and Lead Plaintiff. On February 16 and 17, 2011, Lead Plaintiff and ATS engaged in two days of mediation before the Honorable Herbert Stettin, a former state court judge and highly-respected mediator. Ultimately, after two days of adversarial and arms-length negotiations, Lead Plaintiff and ATS reached an agreement-in-principle to settle as to ATS. As a result, ATS has agreed to make a sum of \$168,684.00 available for payment to Settlement Class Members with valid claims as detailed herein. The City did not join the settlement.

The settlement provided for in this Stipulation will finally and forever terminate the

Litigation as against ATS only.

II. ATS'S DENIAL OF WRONGDOING AND LIABILITY

ATS has denied and continues to deny all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Litigation and believes the claims asserted against it in the Litigation are without merit. Among other things, ATS believes that (1) the Ordinance is valid; (2) the statutory and constitutional provisions sued upon do not provide or authorize a private right of action; and (3) under controlling Florida law, the Settlement Class is not entitled to recover damages in a case like this.

Nonetheless, ATS has concluded that further conduct of the Litigation would be protracted and expensive and that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. It also has taken into account the uncertainty and risks inherent in any litigation, especially in complex cases such as this Litigation and has, therefore, determined that it is desirable and beneficial to it that the Litigation as to ATS be settled in the manner and upon the terms and conditions set forth in this Stipulation. ATS has agreed to enter into the Settlement solely to avoid the expense, distraction, time, and uncertainty associated with continuing the Litigation.

ATS has voluntarily agreed to settle the Litigation after consultation with competent legal counsel. This Stipulation shall not be construed or deemed to be a concession by ATS of any fault, liability or damage to Lead Plaintiff, the Settlement Class, or any other person or entity, or any infirmity in any defense ATS asserted or could have asserted in the Litigation.

III. CLAIMS OF THE LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT

Lead Counsel have conducted an extensive investigation relating to the claims alleged in the Litigation and have researched the applicable law with respect to the claims against ATS and ATS's defenses to those claims. Lead Plaintiff and Lead Counsel believe that the claims asserted in the Litigation have merit and that the evidence developed to date supports those claims. However, Lead Plaintiff and Lead Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against ATS through discovery, trial and appeals. The delay and uncertainty associated with appeals is especially prominent in this case. Lead Plaintiff and Lead Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Litigation, as well as the difficulties and delays inherent in such litigation. Lead Plaintiff and Lead Counsel believe that the settlement set forth in the Stipulation confers substantial benefits upon the Settlement Class. Based on their evaluation, Lead Plaintiff and Lead Counsel have determined that the settlement set forth in this Stipulation is in the best interests of Lead Plaintiff and the Settlement Class.

Lead Plaintiff has voluntarily agreed to settle the Litigation after consultation with competent legal counsel. This Stipulation shall not be construed or deemed to be a concession by Lead Plaintiff of any infirmity in the claims asserted in the Litigation.

IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

IT IS AGREED by and among Lead Plaintiff (for and on behalf of himself and each of the respective Settlement Class Members) and ATS, by and through its counsel, that, subject to the approval of the Court, the Litigation and the Released Claims shall be finally and fully compromised, settled and released, and the Litigation shall be dismissed with prejudice, as to ATS and the Related Parties, upon and subject to the terms and conditions of the Stipulation, as

follows.

1. Definitions

As used in this Stipulation, the following terms have the meanings specified below:

1.1 “Authorized Claimant” means any Settlement Class Member whose claim for recovery has been allowed pursuant to the terms of this Stipulation.

1.2 “Claims Administrator” means the firm of Rust Consulting, Inc.

1.3 “Settlement Class” means all Persons who received a Notice of Violation issued by or on behalf of the City pursuant to the Ordinance alleging a violation of the Ordinance that occurred on or before June 30, 2010, and who paid the fee or fine imposed thereby. Excluded from the Settlement Class are (a) ATS and its officers and directors, (b) the City and its officers, directors, elected officials, and appointed officials, and (c) any and all Persons who timely and validly request exclusion from the Settlement Class pursuant to the terms of this Stipulation and the Notice, as that term is defined in ¶ 1.11 of this Stipulation.

1.4 “Settlement Class Member” or “Settlement Class Members” mean any Person who falls within the definition of the Settlement Class as set forth in ¶ 1.3 of the Stipulation.

1.5 “ATS” means American Traffic Solutions LLC, and ATS American Traffic Solutions, Inc., and their respective parents, subsidiaries, divisions, affiliates, predecessors, and successors.

1.6 “Effective Date” means the first date by which all of the events and conditions specified in ¶ 7.1 of the Stipulation have been met and have occurred.

1.7 “Final” means when the last of the following with respect to the Judgment approving the Stipulation, substantially in the form of Exhibit A attached hereto, shall occur: (i) the expiration of three (3) business days after the time to file a motion as to the Judgment on the

claims against ATS under Florida Rule of Civil Procedure 1.530 has passed without any such motion having been served; (ii) the expiration of three (3) business days after the time in which to appeal the Judgment as to the claims against ATS has passed without any appeal having been taken (which date shall be deemed to be thirty-three (33) days following the entry of the Judgment, unless the date to take such an appeal shall have been extended by Court order or otherwise, or unless the thirty-third (33rd) day falls on a weekend or a Court holiday, in which case the date for purposes of this Stipulation shall be deemed to be the next business day after such thirty-third (33rd) day); and (iii) if such motion is served or if an appeal is taken, three (3) business days after the determination of that motion or appeal (including any petition for writ of certiorari) in such a manner as to permit the consummation of the Settlement substantially in accordance with the terms and conditions of this Stipulation. For purposes of this paragraph, an “appeal” shall not include any appeal that concerns only the issues of attorneys’ fees, the class representation fee, or the reimbursement of costs. Any proceeding or order, or any appeal or petition for a writ of certiorari pertaining solely to the application for attorneys’ fees and costs or a class representation fee, shall not in any way delay or preclude the Judgment as to the claims against ATS from becoming Final.

1.8 “Judgment” means an order and final judgment to be entered by the Court approving the Settlement, dismissing the Litigation as to ATS with prejudice, and effectuating the releases contained in this Stipulation in substantially the same form as the proposed Order and Final Judgment attached to this Stipulation as Exhibit A.

1.9 “Lead Counsel” means Schuler, Halvorson & Weisser, P.A., and Burlington & Rockenbach, P.A.

1.10 “Lead Plaintiff” means named plaintiff William G. Mayfield.

1.11 “Notice” means the short form (“Postcard Notice”) and long form (“Long Form Notice”) Notice of Pendency and Proposed Settlement of Class Action in substantially the same forms attached to this Stipulation as Exhibits B and C, respectively. The Postcard Notice shall be sent via U.S. mail to all Settlement Class Members and the Long Form Notice shall be made readily available to Settlement Class Members by the Claims Administrator via a web site or by calling or writing the Claims Administrator.

1.12 “Person” means an individual, corporation, partnership, limited partnership, limited liability company, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity, and their respective spouses, heirs, predecessors, successors, representatives, or assignees.

1.13 “Plan of Allocation” means a plan or formula of allocation of the Settlement Fund whereby payments from the Settlement Fund shall be made to Authorized Claimants. Under the Plan of Allocation, an Authorized Claimant shall receive, for each notice of violation paid by that Authorized Claimant, an award equal to the Settlement Fund net of the payments identified in ¶¶ 5.2(a)-(d) divided by the total number of notices of violation issued pursuant to the Ordinance and paid by the Settlement Class Members. In the event the Settlement Fund net of the payments identified in ¶¶ 5.2(a)-(d) is insufficient to satisfy all valid and approved claims of Authorized Claimants, the Settlement Administrator shall adjust the award for each such claim in proportion to the funds available to pay all valid and approved claims of Authorized Claimants.

1.14 “Preliminary Approval Order” means an order, to be entered by the Court, certifying the Settlement Class solely for purposes of the Settlement, preliminarily approving the Settlement between ATS and Lead Plaintiff, directing notice to the Settlement Class, setting

Lead Counsel's fees and costs hearing, and setting a final hearing on settlement, in substantially the same form as the proposed order attached to this Stipulation as Exhibit D.

1.15 "Proof of Claim" means a Proof of Claim and Release form in substantially the same form as Exhibit E to this Stipulation.

1.16 "Related Parties" means (i) ATS's successors, assigns, employees, officers, directors, attorneys, legal representatives, insurers, reinsurers, accountants or auditors, banks, investment banks, underwriters, consultants, and agents, (ii) any Person or entity which is or has been related to or affiliated with ATS, including, but not limited to, any direct or indirect predecessor, successor, parent, subsidiary, or sister corporation or business organization of ATS, and (iii) any Person or entity in which ATS has or had a controlling interest and the present and former parents, subsidiaries, divisions, affiliates, predecessors, successors, employees, officers, directors, attorneys, assigns, legal representatives, insurers, reinsurers, accountants or auditors, banks, investment banks, underwriters, consultants, and agents of any such Person or entity. Provided however, for the avoidance of doubt, neither the City nor its officers, directors, elected officials, and/or appointed officials shall be deemed to be Related Parties.

1.17 "Released Claims" means any and all claims, rights, demands, obligations, controversies, debts, damages, losses, actions, causes of action, and liabilities of any kind or nature whatsoever (collectively, "Claims") whether in law or equity, whether based on federal, state, local, constitutional, statutory, or common law (including, but not limited to, claims sounding in tort (including fraud or fraud in the inducement) or contract) or any other law, whether accrued or unaccrued, fixed or contingent, or matured or unmatured, including both known and Unknown Claims, that have been or could have been asserted by the Lead Plaintiff or the Settlement Class Members, or any of them, or the heirs, executors, successors, or assigns of

any of them, directly, derivatively, or in any representative or other capacity, against ATS in the Litigation or any other forum at any point from the beginning of time to the date of this Stipulation's execution arising out of the allegations, transactions, facts, events, matters, occurrences, acts, representations, or omissions involved in, set forth in, or referred to in the Complaint or that could have been asserted in the Complaint, including, without limitation, (1) Claims against ATS alleging that the Ordinance violates any state or federal constitutional or statutory provisions; (2) Claims against ATS alleging an entitlement or right to the return or restitution of any sums paid or expended in connection with an actual or alleged violation of the Ordinance; and (3) Claims against ATS challenging in any way the City's enforcement of actual or alleged red light infractions.

1.18 "Released Persons" means ATS and each and all of the Related Parties.

1.19 "Settlement" means the settlement described in this Stipulation.

1.20 "Settlement Fund" means the principal amount of \$168,684.00, to be paid pursuant to ¶ 2.1 of this Stipulation, plus all interest earned thereon.

1.21 "Settling Parties" means, collectively, the Lead Plaintiff, on behalf of himself and each of the Settlement Class Members, and ATS.

1.22 "Unknown Claims" means any and all Released Claims that any Plaintiff or Settling Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons from the Released Claims which, if known by him, her or it, might have affected his, her or its decisions with respect to the Settlement and release of the Released Persons, or might have affected his, her or its decision not to object to this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff shall expressly waive, and each of the Settlement Class

Members shall be deemed to have expressly waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights, and benefits, conferred by any law, rules, or regulations of any state or territory of the United States or any other country, or principle of common or civil law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Lead Plaintiff and Settlement Class Members may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of the Released Claims, but Lead Plaintiff shall expressly fully, finally and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims against ATS, which expressly include Unknown Claims against ATS. The Settling Parties acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver and inclusion of Unknown Claims in the definition of Released Claims was separately bargained for and a key element of the Settlement of which this release is a part.

2. The Settlement

a. The Settlement Fund

2.1 By no later than fourteen (14) business days after both (a) the entry of the Preliminary Approval Order by the Court and (b) the provision by Lead Counsel to ATS's counsel of payment information, such information to include payee name, tax identification

number, mailing instructions, and wire transfer instructions, ATS will pay the sum of \$168,684.00 (the "Settlement Amount") into an interest-bearing escrow account entitled "William Mayfield v. City of Palm Coast & ATS Litigation Settlement Fund," which shall be held on behalf of Lead Plaintiff and the Settlement Class in a separate account at a neutral, well-capitalized financial institution designated by the Claims Administrator with the approval of ATS (the "Escrow Account"). The Settlement Amount and any interest earned thereon shall constitute the Settlement Fund.

2.2 Subject to further order and/or direction as may be made by the Court, the Claims Administrator is authorized to execute such transactions on behalf of the Settlement Class as are consistent with the terms of the Stipulation.

2.3 All funds held by the Claims Administrator shall be deemed and considered to be *in custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

b. Administration Expenses

2.4 ATS shall pay the actual and reasonable costs of class notice and the administration of the Settlement (the "Notice and Administration Amount") as they come due.

c. Taxes

2.5 All Taxes (including any estimated Taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund, including any Taxes or tax detriments that may be imposed upon ATS or its Related Parties with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a "qualified settlement fund" for federal or state income tax purposes ("Taxes"), shall be the

responsibility of and borne by the Settlement Fund, and not ATS or its Related Parties.

2.6 In no event shall ATS or its Related Parties have any responsibility of any kind for or liability of any kind with respect to Taxes or Tax Expenses. The Lead Plaintiff and Settlement Class shall indemnify and hold ATS and its Related Parties harmless for Taxes and Tax Expenses (including, without limitation, Taxes payable by reason of any such indemnification).

d. Termination of Settlement

2.7 In the event that the Stipulation is not approved, or is terminated, cancelled, or fails to become effective for any reason, the Settlement Fund (including accrued interest) shall be refunded to ATS.

2.8 Notwithstanding any other provision in the Stipulation, ATS, at its sole discretion, may elect to terminate the Stipulation if 35% or more of the Settlement Class Members request to be excluded (i.e., opt out) of the Settlement pursuant to ¶ 5.4. To terminate the Stipulation under this provision, ATS must provide notice of the termination in writing to Lead Counsel within ten (10) business days of the Claims Administrator notifying ATS that 35% of the Settlement Class Members have requested to be excluded from the Settlement.

3. Preliminary Approval Order, Hearing on Lead Counsel's Fees and Costs, and Settlement Hearing

3.1 As soon as practicable after execution of the Stipulation, Lead Plaintiff shall submit the Stipulation together with its exhibits to the Court and shall apply for entry of the Preliminary Approval Order, requesting, among other things, (a) the preliminary approval of the Settlement set forth in the Stipulation, (b) certification of the Settlement Class solely for purposes of this Settlement, and (c) approval for mailing the Postcard Notice. The Postcard Notice shall refer to the general terms of the Settlement set forth in the Stipulation and the date

of the Settlement Hearing, and direct the Settlement Class Members to a web site, toll free phone number, and address for purposes of obtaining a copy of the Long Form Notice and other information.

3.2 Lead Counsel shall request that after notice is given to the Settlement Class, the Court (a) hold a hearing on Lead Counsel's Fee and Costs Application, (b) hold a final hearing (the "Settlement Hearing"), (c) finally approve the Settlement of the Litigation as set forth herein, and (d) direct the clerk to enter Final Judgment with regard to ATS only. At the Settlement Hearing, Lead Counsel also will request that the Court approve the proposed Plan of Allocation and the Fees and Costs Application.

4. Releases and Covenant Not to Sue

4.1 The obligations incurred pursuant to this Stipulation shall be a full and final disposition of the Litigation and any and all Released Claims against any and all Released Persons.

4.2 Upon the entry of the Judgment, the Litigation as to ATS and all of its claims and causes of action as to ATS shall be dismissed with prejudice on the merits.

4.3 Upon the Effective Date, Lead Plaintiff and the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged any and all Released Claims against any and all of the Released Persons. Lead Plaintiff and the Settlement Class Members shall forever be enjoined from prosecuting any and all Released Claims against any and all of the Released Persons. The foregoing releases and injunctions against suit shall apply fully to Lead Plaintiff and all Settlement Class Members, regardless of whether the Lead Plaintiff or Settlement Class Member submits a Proof of Claim. Without limiting in any way the foregoing, delivery of a Proof of

Claim executed by a Settlement Class Member shall constitute a release by such person of any and all Released Claims against any and all of the Released Persons.

4.4 Upon the Effective Date, ATS, on behalf of itself and its successors and assigns, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged the Lead Plaintiff, each and all of the Settlement Class Members, and Lead Counsel from all claims arising out of, relating to, or in connection with the institution, prosecution, defense, assertion, settlement or resolution of the Litigation or the Released Claims; provided, however, that ATS shall not be deemed to have released any claims that it may have against the City, including any claims for the payment of service fees for services provided by ATS to the City.

4.5 The Judgment shall contain an order barring claims by the City and against ATS for indemnification and contribution in respect of the Litigation, and, to facilitate such bar, providing that the Lead Plaintiff and the Settlement Class Members may not recover from the City any sums paid or owed as service fees to ATS by the City.

5. Administration and Calculation of Claims, Final Awards and Supervision and Distribution of Settlement Fund

5.1 Under the supervision of Lead Counsel, acting on behalf of the Settlement Class, and subject to such supervision and direction of the Court as may be necessary or as circumstances may require, the Claims Administrator shall administer and calculate the claims submitted by Settlement Class Members and shall oversee the distribution of the Settlement Fund.

5.2 The Settlement Fund shall be applied as follows:

- (a) to pay the Taxes and Tax Expenses described in ¶ 2.5 hereof, if any;
- (b) to pay Lead Counsel's attorneys' fees and costs (the "Fee and Costs

Award”);

(c) to pay the Lead Plaintiff a class representation fee for the Lead Plaintiff’s individual time, effort, and risk incurred in litigating this matter (the “Settlement Class Representation Award”);

(d) to pay claims to Authorized Claimants as allowed by the Stipulation and the Plan of Allocation; and

(e) to refund the balance of the Settlement Fund remaining after the payment of the items described in ¶¶ (a), (b), (c) and (d) (the “Net Settlement Fund”) to ATS.

5.3 Upon the Effective Date and thereafter, and in accordance with the terms of the Stipulation and the Plan of Allocation, the Claims Administrator may pay claims to Authorized Claimants, subject to and in accordance with the terms of this Section 5.

5.4 Any person falling within the definition of the Settlement Class may be excluded from the Settlement Class by submitting to the Claims Administrator a request for exclusion (“Request for Exclusion”), which complies with the requirements referenced in the Preliminary Approval Order and is timely postmarked pursuant to the terms as referenced in the Preliminary Approval Order. All persons who submit valid and timely Requests for Exclusion shall have no rights under the Stipulation, shall not receive payment from the Settlement Fund, and shall not be bound by the Stipulation or the Judgment. However, a Settlement Class Member may submit a written revocation of a Request for Exclusion up to and until the date for submitting a Proof of Claim as referenced in the Preliminary Approval Order and receive a payment pursuant to this Stipulation provided that the Settlement Class Member also submits a valid Proof of Claim as set forth in ¶ 5.5 below. A Settlement Class Member who submits a timely and valid revocation of a

Request for Exclusion, but who fails to submit a timely and valid Proof of Claim, shall nonetheless be bound by the terms of this Stipulation and the Judgment.

5.5 Within ninety (90) days after such time as set by the Court to mail notice to the Settlement Class, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim, substantially in the form of Exhibit E attached hereto, signed under penalty of perjury and supported by such documents, if necessary, as are specified in the Proof of Claim and as are reasonably available to the Authorized Claimant.

5.6 Except as otherwise ordered by the Court, all Settlement Class Members who fail to timely submit a Proof of Claim within such period, or such other period as may be ordered by the Court, or otherwise allowed, shall be forever barred from receiving any payments pursuant to the Stipulation and the settlement set forth herein, but will in all other respects be subject to and bound by the provisions of the Stipulation, the releases contained herein, and the Judgment.

5.7 Payments made from the Settlement Fund shall be made to the Authorized Claimants substantially in accordance with the Plan of Allocation described in ¶ 1.13 and in the Notice and approved by the Court. If there is any balance remaining in the Net Settlement Fund after three (3) months from the date of completion of payments from the Settlement Fund to Authorized Claimants, the Claims Administrator shall return the remaining balance of the Net Settlement Fund to ATS.

5.8 No Person shall have any claim against Lead Plaintiff, Lead Counsel, ATS, Counsel for ATS, the Claims Administrator or other entity designated by Lead Counsel based on distributions made substantially in accordance with the Stipulation and the Settlement contained herein or further order(s) of the Court.

5.9 ATS and its Related Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the distribution of the Settlement Fund, the determination, administration, or calculation of claims, the payment or withholding of Taxes or Tax Expenses, or any losses incurred in connection therewith.

6. Lead Counsel's Attorneys' Fees and Reimbursement of Costs

6.1 Lead Counsel may submit an application or applications (the "Fee and Cost Application") for distributions to them from the Settlement Fund for: (a) an award of reasonable attorneys' fees not to exceed 30% of the Settlement Fund; and (b) payment of costs incurred in connection with prosecuting the Litigation, not to exceed \$1,288.44.

6.2 Lead Plaintiff may submit an application or applications (the "Settlement Class Representation Application") for a distribution from the Settlement Funds in an amount not to exceed \$500.00 to compensate Lead Plaintiff for his individual time, effort, and risk incurred in litigating this matter.

6.3 Notwithstanding the existence of any timely-filed objections, or potential appeal therefrom, or collateral attack on the Settlement or any part thereof, the awards provided for in ¶¶ 6.1 and 6.2, as awarded by the Court, shall be paid to Lead Counsel and Lead Plaintiff exclusively from the Settlement Fund immediately after (i) the Court enters the Judgment (as defined in ¶ 1.8) as to the claims against ATS or an Alternative Judgment (as defined in ¶ 7.1(e)) as to the claims against ATS and (ii) the Court executes an order making such awards. Lead Counsel shall allocate the attorneys' fees between them in a manner which they in good faith believe reflects the contributions of each to the prosecution and settlement of the Litigation. In the event that the Effective Date does not occur, or the Judgment, Alternative Judgment, or the order making the Fee and Costs Award is reversed or modified, or the Stipulation is canceled or

terminated for any other reason, and in the event that the Fee and Costs Award has been paid to any extent, then Lead Counsel shall within five (5) business days from receiving notice from ATS's counsel or from a court of appropriate jurisdiction, refund to the Settlement Fund the fees and costs previously paid to them from the Settlement Fund. Each of Lead Counsel shall be jointly and severally liable for the refund of the total amount of the fees and costs paid. Each such Lead Counsel's law firms (including each of the respective firm's individual partners and shareholders), as a condition of receiving such fees and costs, agrees that the law firm and its partners and/or shareholders are subject to the jurisdiction of this Court for the purpose of enforcing the provisions of this paragraph.

6.4 The procedure for and the allowance or disallowance in any respect by the Court of any applications for Lead Counsel's attorneys' fees and costs or an award to Lead Plaintiff are not part of the Settlement set forth in the Stipulation, and are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the settlement set forth in the Stipulation, and any order or proceeding relating to the Fee and Costs Application or the Class Representation Application, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel the Stipulation, or affect or delay the finality of the Judgment approving the Stipulation and the settlement of the Litigation set forth therein.

6.5 ATS and its Related Parties shall have no responsibility for or liability with respect to any payment of attorneys' fees and costs to Lead Counsel or award to Lead Plaintiff over and above payment from the Settlement Fund.

6.6 ATS and its Related Parties shall have no responsibility for or liability with respect to the allocation among Lead Counsel, and/or any other Person who may assert some

claim thereto, of any Fee and Costs Award that the Court may make in the Litigation, and ATS and its Related Parties take no position with respect to such matters.

7. Conditions of Settlement, Effect of Disapproval, Cancellation or Termination

7.1 The Effective Date of the Stipulation shall be conditioned on the occurrence of all of the following events:

- (a) the contribution to the Settlement Fund by ATS as required by ¶ 2.1 hereof;
- (b) the entry of the Preliminary Approval Order, as required by ¶ 3.1 hereof, by the Court;
- (c) the approval of the Settlement by the Court, following notice to the Settlement Class and a hearing, as provided in Rule 1.220 of the Florida Rules of Civil Procedure, and the entry of the Judgment, as defined in ¶ 1.8; and
- (d) the Judgment as to the claims against ATS having become Final, as defined in ¶ 1.7 hereof, or, in the event that the Court enters a judgment in a form other than that provided above (the "Alternative Judgment") and which has the consent of ATS, such Alternative Judgment as to the claims against ATS having become Final.

7.2 If some or all of the conditions specified in ¶ 7.1 hereof are not met, or in the event that this Stipulation is not approved by the Court, or the Settlement set forth in this Stipulation is terminated or fails to become effective in accord with its terms, then this Stipulation shall be canceled and terminated subject to ¶ 7.4 hereof unless Lead Counsel and counsel for ATS mutually agree in writing to proceed with the Stipulation. None of the Settling Parties, or any of them, shall have any obligation whatsoever to proceed under any terms other than those provided for and agreed upon herein. If any Settling Party commits a material breach

of the terms of this Stipulation, any other party, provided that it is in substantial compliance with the terms of this Stipulation, may, at its option, seek to have the Court enforce the terms of the Stipulation or terminate the Stipulation on notice to all of the Settling Parties.

7.3 Unless otherwise ordered by the Court, in the event the Stipulation shall terminate, or be canceled, or shall not become effective for any reason, within five (5) business days after written notification of such event is sent by counsel for ATS or Lead Counsel to the Claims Administrator, the Settlement Fund (including accrued interest), shall be refunded by the Claims Administrator to ATS.

7.4 In the event that the Stipulation is not approved by the Court or the settlement set forth in the Stipulation is terminated or fails to become effective in accordance with its terms, the Settling Parties shall be restored to their respective positions in the Litigation as of the date of this Stipulation. In such event, the terms and provisions of the Stipulation, with the exception of ¶¶ 2.5, 2.6, 2.7, 6.3, 6.6, 7.2-7.4, and 8 hereof, shall have no further force and effect with respect to the Settling Parties and shall not be used in the Litigation or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*. No order of the Court or modification or reversal on appeal of any order of the Court concerning the amount of any attorneys' fees and costs awarded by the Court to Lead Counsel shall constitute grounds for cancellation or termination of the Stipulation.

8. No Admission of Wrongdoing

8.1 This Stipulation, whether or not consummated, any act performed or document executed pursuant to or in furtherance of this Stipulation or the Settlement, and any negotiations, discussions or proceedings in connection with this Stipulation or the Settlement:

(a) shall not be offered or received against ATS or its Related Parties as evidence of or construed as or deemed to be evidence of any presumption, concession, or admission by ATS or its Related Parties of the truth of any fact alleged by the Lead Plaintiff or the validity of any claim asserted in the Litigation or any other litigation, or any Released Claims, or the deficiency of any defense that has been or could have been asserted in the Litigation or in any other litigation, or of any liability, negligence, fault, or wrongdoing of ATS and its Related Parties;

(b) shall not be offered or received against the Lead Plaintiff or any Settlement Class Member as evidence of any infirmity in the claims of the Lead Plaintiff and the Settlement Class;

(c) shall not be offered or received against ATS as evidence or construed or deemed to be evidence of a presumption, concession, or admission of any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the parties to this Stipulation, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; provided, however, that if this Stipulation is approved by the Court, ATS and its Related Parties may refer to it to effectuate the dismissals, releases, and liability protections granted them hereunder;

(d) shall not be offered, received, or construed against ATS or its Related Parties as evidence or construed or deemed to be evidence against ATS, Lead Plaintiff or the Settlement Class as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; and

(e) shall not be offered, construed, or received in evidence as an admission, concession, or presumption against ATS or its Related Parties that class certification would be proper for any purpose other than this Settlement.

9. Miscellaneous Provisions

9.1 The Settling Parties (a) acknowledge that it is their intent to consummate this agreement; and (b) agree, subject to their fiduciary and other legal obligations, to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Stipulation and to exercise their reasonable best efforts to accomplish the foregoing terms and conditions of the Stipulation. Lead Counsel and ATS's Counsel agree to cooperate with one another in seeking Court approval of the Stipulation, the Preliminary Approval Order, and the Settlement, and to promptly agree upon and execute all other such documentation as may be required to obtain final approval of the Settlement.

9.2 This Stipulation and the exhibits attached hereto constitute the entire agreement between the Settling Parties as to the subject matter hereof and supersede any prior or contemporaneous written or oral agreements or understandings between the Settling Parties.

9.3 No modification or amendment of this Stipulation shall be valid unless made in writing and signed by or on behalf of each party hereto. No representations, warranties or inducements have been made to any party concerning the Stipulation and its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. Except as otherwise provided for herein, each party shall bear his, her or its own costs.

9.4 The Settlement compromises claims that are contested and shall not be deemed an admission by any Settling Party as to the merits of any claim or defense. The Judgment will contain a statement that during the course of the Litigation, the Settling Parties and their

respective counsel at all times complied with the requirements of Florida law. The Settling Parties agree that the amount paid to the Settlement Fund and the other terms of the settlement were negotiated in good faith by the Settling Parties and reflect a settlement that was reached voluntarily after consultation with competent legal counsel. The Settling Parties reserve their right to rebut, in a manner that such party determines to be appropriate, any contention made in any public forum that the Litigation was brought or defended in bad faith or without a reasonable basis.

9.5 ATS and/or its Related Parties may file the Stipulation and/or the Judgment in any forum as may be necessary to establish principles of res judicata, collateral estoppel, release, accord and satisfaction, good faith settlement, judgment bar or reduction, bar order, or any other theory preclusion, release, discharge, or claims bar. ATS and/or its Related Parties may also file the Stipulation and/or the Judgment in any forum as may be necessary to establish that the Stipulation and/or the Settlement do not operate to admit, concede, or establish any allegation made in the Litigation or any liability, wrongdoing, or fault by ATS and/or Released Party.

9.6 All agreements made and orders entered during the course of the Litigation relating to the confidentiality of information shall survive this Stipulation.

9.7 All of the exhibits to the Stipulation are material and integral parts hereof and are fully incorporated herein by this reference.

9.8 The Stipulation may be amended or modified only by a written instrument signed by or on behalf of all Settling Parties or their respective successors-in-interest.

9.9 Lead Counsel, on behalf of the Settlement Class, are expressly authorized by the Lead Plaintiff to take all appropriate action required or permitted to be taken by the Settlement Class pursuant to the Stipulation to effectuate its terms and also are expressly authorized to enter

into any modifications or amendments to the Stipulation on behalf of the Settlement Class which they deem appropriate.

9.10 Each counsel or other Person executing the Stipulation or any of its exhibits on behalf of any party hereto hereby warrants that such Person has the full authority to do so.

9.11 The Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. A signature transmitted by facsimile or in a .pdf file shall be deemed to have the same effect as an original signature.

9.12 The Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the parties hereto.

9.13 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Stipulation, and all parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the settlement embodied in the Stipulation.

9.14 The waiver by one party of any breach of this Stipulation by any other party shall not be deemed a waiver by any other party or a waiver of any other prior or subsequent breach of this Stipulation.

9.15 The Stipulation and the exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of Florida, and the rights and obligations of the parties to the Stipulation shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of Florida without giving effect to that state's choice-of-law principles.

IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed,
by their duly authorized attorneys, as of _____, 2012.

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WEISSER, P.A.



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*Co-Counsel for Lead Plaintiff and
the Settlement Class*

IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed,
by their duly authorized attorneys, as of _____, 2012.

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*Co-Counsel for Lead Plaintiff and
the Settlement Class*

IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed,
by their duly authorized attorneys, as of February 15, 2012.

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***Counsel for Defendants American Traffic
Solutions, LLC, and ATS American Traffic
Solutions, Inc.***

EXHIBIT A

IN THE CIRCUIT COURT OF THE SEVENTH JUDICIAL CIRCUIT
IN AND FOR FLAGLER COUNTY, FLORIDA

WILLIAM G. MAYFIELD,
on behalf of himself and all
other persons similarly situated,

Plaintiff,

vs.

CASE NO. 2009-CA-002245

CITY OF PALM COAST,
AMERICAN TRAFFIC
SOLUTIONS, LLC, and
ATS AMERICAN TRAFFIC
SOLUTIONS, INC.,

Defendants.

_____ /

**ORDER AND FINAL JUDGMENT CERTIFYING SETTLEMENT CLASS,
APPROVING SETTLEMENT AGREEMENT, AND
AWARDING LEAD COUNSEL FEES AND COSTS**

*[AS TO CLAIMS AGAINST AMERICAN TRAFFIC SOLUTIONS, LLC AND
ATS AMERICAN TRAFFIC SOLUTIONS, INC., ONLY]*

This cause came before the Court on Lead Plaintiff's Motion for Settlement Class Certification and Final Approval of the Stipulation and Agreement of Settlement filed in this Litigation (the "Stipulation"). All defined terms and definitions used in the Stipulation are incorporated by reference into this Order and Final Judgment and shall have the same meanings herein, unless otherwise noted. The Court conducted a fairness hearing on .

Procedural Background

Lead Plaintiff filed the above-captioned litigation against the City and ATS. In his Class Action Third Amended Complaint for Civil Damages and Declaratory Relief (the "Complaint"), which is the operative complaint in the Litigation, Lead Plaintiff asserts the following claims against the City and ATS: Count I for Unjust Enrichment, Count II for Tort of Conversion, and

EXHIBIT A

Count III for Declaratory Relief. The Complaint also states that the putative class is “all who have been cited and paid fines to the Defendants prior to July 1, 2010 for violations of the ordinance . . .” (Compl. ¶ 32).

Lead Plaintiff alleges in the Complaint that the Ordinance is invalid under Chapters 316 and 318 of the Florida Statutes and Article V and Article VIII, Section 2(b), of the Florida Constitution and incorporates these allegations by reference into each Count of the Complaint. In particular, Lead Plaintiff alleges that the Ordinance is invalid because (1) Chapters 316 and 318 of the Florida Statutes preempt all regulation and enforcement of red light violations to the State of Florida and (2) the Ordinance violates provisions relating to the establishment of a court system in Article V of the Florida Constitution. ATS and the City filed motions to dismiss the Complaint, and those motions are currently pending before the Court.

Lead Plaintiff and ATS, collectively referred to as the “Settling Parties”, entered into the Stipulation to resolve this matter on a classwide basis on _____, 2012. The City did not join the Settlement.

Lead Plaintiff filed a Motion for Preliminary Approval of Stipulation. The Court granted that Motion on _____, 2012, and conditionally certified the Settlement Class solely for the purposes of settlement.

Pursuant to the Stipulation and the Court’s Preliminary Approval Order, a class list was compiled from a review of records maintained by ATS. Following that review, a total of _____ Settlement Class Members were identified. Settlement Class Members were thereafter provided with notice and an opportunity to object to the Settlement or opt-out of the Settlement Class.

EXHIBIT A

Settlement Class Members' Claims

The Class Administrator was able to directly mail the notice to _____ Settlement Class Members, with only _____ notices being returned and re-mailed to new addresses. The total payment to be made to the Settlement Class Members will be \$_____. The Court hereby orders the Claims Administrator to pay this amount to Settlement Class Members in accordance with the terms of the Stipulation and Plan of Allocation.

The Stipulation is Fair, Adequate and Reasonable

Florida Rule of Civil Procedure 1.220(e) requires judicial approval of any class action settlement. "Because Florida's class action rule is based on Federal Rule of Civil Procedure 23, Florida courts may generally look to federal cases as persuasive authority in their interpretation of [Fla. R. Civ. P.] 1.220." See InPhyNet Contracting Services, Inc. v. Soria, 33 So. 3d 766, 771 (Fla. 4th DCA 2010). To approve a class action settlement, the Court must evaluate whether the settlement "is fair, adequate and reasonable and is not the product of collusion between the parties." Bennett v. Behring Corp., 737 F.2d 982, 986 (11th Cir. 1984) (citing Cotton v. Hinton, 559 F.2d 1326, 1330 (5th Cir. 1977)); Canupp v. Sheldon, 2009 WL 4042928, *3 (M.D. Fla. November 23, 2009).

The Court finds that the Stipulation is fair, adequate and reasonable.

To evaluate whether the Stipulation is fair and reasonable, the Court applied the factors set forth in Bennett. These factors are as follows:

- (1) the likelihood of success at trial;
- (2) the range of possible recovery;
- (3) the point on or below the range of possible recovery at which a settlement is fair, adequate and reasonable;
- (4) the complexity, expense and duration of litigation;

EXHIBIT A

- (5) the substance and amount of opposition to the settlement; and
- (6) the stage of proceedings at which the settlement was achieved.

Bennett, 737 F.2d at 986. In addition, the Court is to consider the general policy that “[p]articularly in class action suits, there is an overriding public interest in favor of settlement.” Cotton, 559 F.2d at 1331.

Likelihood of success at trial compared to the Stipulation. There would be substantial risks and uncertainties for the Settling Parties if the case were to go to trial. ATS would have vigorously defended the action, and the Settlement Class Members faced the risk of not prevailing at all with regard to the merits. Lengthy and costly appeals were also likely. In contrast, under the Stipulation, the Settlement Class Members will be eligible for a cash reimbursement.

Range of possible recovery. Each individual who received a Notice of Violation issued by or on behalf of the City pursuant to the Ordinance alleging a violation of the Ordinance that occurred on or before June 30, 2010, and who paid the fee or fine imposed is thereby eligible for a cash reimbursement of \$_____, compared to Lead Plaintiff’s requested recovery of \$_____ per fine paid.

Point on or below the range of possible recovery at which a settlement is fair, adequate and reasonable. The Court finds that the potential of \$_____ cash reimbursement is fair in consideration of the complexity, expense, and duration of the litigation. The Court is also “entitled to rely upon the judgment of experienced counsel for the parties” and “should be hesitant to substitute its own judgment for that of counsel.” Cotton, 559 F.2d at 1330. The judgment of experienced counsel for the Settling Parties is that the Stipulation should be

EXHIBIT A

approved. The opinions of counsel support the Court's finding that the Stipulation is fair and reasonable.

Complexity, expense and duration of litigation. The litigation in this case has been complex and hard-fought, including extensive dispositive motion practice. The Settling Parties were determined to vigorously defend their positions and but for the Settlement would have continued the costly litigation, including trial, and lengthy appeals. For the Settling Parties, settlement is a desirable alternative.

Substance and amount of opposition to the settlement. The Court preliminarily approved the Stipulation on _____, 2012, and no intervening events have occurred that would cause the Court to reconsider that preliminary approval. The Court held a hearing to entertain objections on _____, 2012. There were ___ objectors. ___ Settlement Class Members elected to opt out of the Settlement.

Stage of proceeding at which the settlement was achieved. The proceedings to date provide an adequate basis for an informed settlement. By approving the Stipulation, the Settling Parties and the Court will be spared a massive amount of work yet to be done to resolve the litigation between Lead Plaintiff and ATS – including voluminous discovery, extensive research into complex legal issues, and determining the merits of the dispute.

Other factors. The settlement is the result of lengthy, hard-fought, adversarial, arms-length negotiations. The Settling Parties settled only after engaging in comprehensive litigation, which was vigorously contested, as well as engaging in extensive settlement negotiations with the assistance of a well-respected mediator with extensive experience in class action settlements. The Court finds that the settlement was negotiated without collusion and is not the product of

EXHIBIT A

collusion. Further, the Court finds that during the course of the Litigation the Settling Parties and their respective counsel at all times complied with the requirements of Florida law.

The Notice Procedures Exceeded the Requirements of Due Process and Rule 1.220

Rule 1.220(d)(2) requires that “notice shall be given to each member of the class who can be identified and located through reasonable effort and shall be given to the other members of the class in the manner determined by the court to be most practicable under the circumstances.” “In class action litigation, due process requires that the absent class members be afforded notice of the suit, an opportunity to be heard and participate in the litigation, and, in actions for damages, a chance to opt out of the litigation.” Nelson v. Wakulla Cty, 985 So. 2d 564, 576 (Fla. 1st DCA 2008).

The Court finds that the forms of Notice that the Court preliminarily approved and the Claims Administrator sent out and made readily available were fair. The Postcard Notice was sent to the Settlement Class Members’ last known addresses, and the Long Form Notice was available online and per request by writing or calling toll free the Claims Administrator. Both forms of Notice described the nature of the litigation and the class in simple-to-understand language. The Long Form Notice also provided information regarding the Settlement Class Member’s ability to opt out of the Settlement. The notice procedures implemented in this case more than adequately satisfy Rule 1.220 and due process standards.

As further evidence of the fairness of the Stipulation, out of the 100 Settlement Class Members identified, only 10 Settlement Class Members chose to opt out of the Stipulation and there were only 10 objections to the Stipulation.

EXHIBIT A

Settlement Class Certification

The Court concludes that the requirements of Rule 1.220 have been satisfied for the reasons set forth in the Preliminary Approval Order, which the Court adopts by reference.

Lead Counsel's Fees and Costs

The Court conducted a fee and costs hearing on [REDACTED], 2012, and the Court awarded Lead Counsel \$[REDACTED] in fees and \$[REDACTED] in costs to be paid if and only if the Court determined at the fairness hearing that the Settlement is fair, adequate and reasonable and is not the product of unfair collusion between the Settling Parties.

Settlement Class Representative Fee

The Stipulation has a provision for a class representative fee for the time and effort of the Lead Plaintiff in this case. The Court approves payment of the class representative fee to the Lead Plaintiff.

Conclusion

A careful and thorough analysis reveals that all relevant factors strongly favor approval of the Stipulation that was the product of arms' length negotiations of the Settling Parties. Settlement Class Members received the best practicable notice of the Stipulation. Accordingly, the Court finds the Settlement is a fair, adequate and reasonable settlement of this matter. The Court also finds that the implementation of the terms of the Stipulation – including, but not limited to, the terms concerning the appointment of Lead Plaintiff and Lead Counsel, Notice, requests for exclusion from the class, and objections to the Settlement – satisfy the due process rights of all absent Settlement Class Members, including those who reside outside the forum. Pursuant to the terms of the Settling Parties' Stipulation, the names and addresses of the

EXHIBIT A

Settlement Class Members and other confidential personal and business information used or disclosed in the course of this settlement or class administration shall remain confidential.

Accordingly, it is ORDERED and ADJUDGED as follows:

- 1) Pursuant to Rule 1.220 of the Florida Rules of Civil Procedure, the Court finally certifies, solely for purposes of the Settlement, a class consisting of all Persons who received a Notice of Violation issued by or on behalf of the City pursuant to the Ordinance alleging a violation of the Ordinance that occurred on or before June 30, 2010, and who paid the fee or fine imposed thereby. Excluded from the Settlement Class are (a) the City and ATS and their officers, directors, elected officials, and appointed officials and (b) any and all Persons who timely and validly requested exclusion from the Settlement Class.
- 2) The Stipulation and Settlement are APPROVED as fair, reasonable, and adequate to the members of the Settlement Class.
- 3) The Plan of Allocation described in the Stipulation and Long Form Notice is APPROVED as fair, reasonable, and adequate to the members of the Settlement Class, and the Claims Administrator is DIRECTED to administer the Settlement accordingly.
- 4) Lead Plaintiff and all Settlement Class Members shall be bound by the Settlement and the Stipulation and Exhibits thereto.
- 5) The Litigation and all Claims asserted therein are DISMISSED on the merits and WITH PREJUDICE.

EXHIBIT A

- 10) Lead Plaintiff is awarded a class representative fee in the amount of \$ _____ to be paid from the Settlement Fund in accord with the Stipulation.
- 11) The Court retains jurisdiction, without affecting the finality of this Judgment, over the enforcement and administration of the Stipulation and Settlement.
- 12) In the event that the Effective Date does not occur in accord with the Stipulation, this Order and Final Judgment shall be rendered null and void to the extent provided by and in accord with the Stipulation, and this Order and Final Judgment shall be vacated. In such event, all orders entered in connection with Stipulation shall be void, and the Settlement Class shall be decertified. In such event, this Litigation as to ATS shall return to its status prior to the execution of the Stipulation.

DONE and ORDERED in Chambers, at Flagler County, Florida, this _____ day of _____, 2012.

DENNIS CRAIG
CIRCUIT COURT JUDGE

Copies furnished to:
Counsel of Record

EXHIBIT B

Mayfield v. City of Palm Coast, et al. Settlement
[Insert Palm Coast's Claims Administrator's Address Here]

NOTICE OF PROPOSED CLASS ACTION
SETTLEMENT

THE BACK OF THIS CARD PROVIDES A
WEBSITE, TELEPHONE NUMBER, AND
ADDRESS WHERE YOU CAN OBTAIN
INFORMATION IN ORDER TO SUBMIT A
CLAIM FORM.

THIS NOTICE ADVISES YOU OF A
PROPOSED
CLASS ACTION SETTLEMENT
WITH AMERICAN TRAFFIC SOLUTIONS,
LLC, AND ATS AMERICAN TRAFFIC
SOLUTIONS INC.

THIS NOTICE MAY AFFECT YOUR
LEGAL RIGHTS.
PLEASE READ IT CAREFULLY.

Mayfield v. City of Palm Coast, American Traffic Solutions, LLC, and ATS American Traffic Solutions, Inc.

THIS CARD ONLY PROVIDES LIMITED INFORMATION ABOUT THIS SETTLEMENT

Your rights may be affected by a proposed class action Settlement of claims against American Traffic Solutions, LLC, and ATS American Traffic Solutions, Inc. (collectively the "Settling Defendants"). The City of Palm Coast (the "City") did not participate in the Settlement referred to in this notice. The Settlement would resolve part of a lawsuit in which Plaintiff alleges various claims against the Settling Defendants by virtue of his allegations that the enforcement of the City of Palm Coast's Code of Ordinances, Article III, Sections 38-81 through 38-95 (Ord. No. 07-585, Section 70-81 through 70-95, 1-8-2008), titled "Traffic Light Safety" (the "Ordinance") violated Florida law. Plaintiff brought suit on his own behalf and **on behalf of all people who received a Notice of Violation issued by or on behalf of the City pursuant to the Ordinance alleging a violation of the Ordinance on or before June 30, 2010, and who paid the fee or fine imposed thereby.** Settling Defendants deny the allegations. You received this Notice because the Settling Defendants' records indicate that you received a Notice of Violation alleging a violation of the Ordinance on or before June 30, 2010, and that the Notice of Violation has been paid.

The Settlement provides for eligible Settlement Class Members to receive a one-time payment per Class Member of up to \$8.50. To receive a payment, you must timely complete and submit a Proof of Claim postmarked no later than _____, 2012. You may obtain complete information about the Settlement (including the Long Form Notice and a Proof of Claim) and deadlines by visiting the Settlement Website at www._____, telephoning _____, or writing the Florida Red Light Camera Litigation – Palm Coast Claims Administrator at _____.

If you do not wish to be a part of this Settlement, you may exclude yourself. If you do not exclude yourself, you will be bound by the Settlement and all orders of the court. As a result, you will no longer be able to sue or continue to sue the Settling Defendants about the claims in the Settlement. To request exclusion, you must mail your request in writing, postmarked no later than _____, 2012, to the Florida Red Light Camera Litigation – Palm Coast Claims Administrator at _____. The Court, located at 1769 E. Moody Blvd., Bunnell, FL 32110, will conduct a hearing on whether to approve the Settlement on _____, 2012, and if so, determine what amount of fees and expenses should be awarded to class counsel. If you wish, you or your own lawyer may ask to appear and speak at the hearing at your own cost. You may object to the Settlement in advance of that hearing by following the procedure set forth in the Long Form Notice. Your objection must be received by _____.

EXHIBIT C

IN THE CIRCUIT COURT OF THE SEVENTH JUDICIAL CIRCUIT
IN AND FOR FLAGLER COUNTY, FLORIDA

WILLIAM G. MAYFIELD,
on behalf of himself and all
other persons similarly situated,

Plaintiff,

vs.

CASE NO. 2009-CA-002245

CITY OF PALM COAST,
AMERICAN TRAFFIC
SOLUTIONS, LLC, and
ATS AMERICAN TRAFFIC
SOLUTIONS, INC.,

Defendants.

_____ /

**NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED PARTIAL
SETTLEMENT, AND HEARING DATE FOR COURT APPROVAL**

ATTENTION: ALL PERSONS WHO RECEIVED A NOTICE OF VIOLATION ISSUED BY OR ON BEHALF OF THE CITY OF PALM COAST (“CITY”), PURSUANT TO THE CITY OF PALM COAST’S CODE OF ORDINANCES, ARTICLE III, SECTIONS 38-81 THROUGH 38-95 (ORD. NO. 07-585, SECTION 70-81 THROUGH 70-95, 1-8-2008, TITLED “TRAFFIC LIGHT SAFETY” (THE “ORDINANCE”), ALLEGING A VIOLATION OF THE ORDINANCE THAT OCCURRED ON OR BEFORE JUNE 30, 2010, AND WHO PAID THE FEE OR FINE IMPOSED THEREBY.

This notice informs you of a proposed settlement of class action claims against American Traffic Solutions, LLC, and ATS American Traffic Solutions, Inc. The City of Palm Coast did not participate in the Settlement. For the sake of brevity and clarity, the City of Palm Coast will be referred to simply as the City, and American Traffic Solutions, LLC, and ATS American Traffic Solutions, Inc. will be collectively referred to simply as ATS. ATS has agreed, under the terms of the Settlement, to provide you with an opportunity to submit a valid and timely Proof of Claim through which you may be eligible to receive monetary compensation as further discussed below.

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SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Submit a Proof of Claim	If you are an eligible Settlement Class Member and you wish to receive a one-time payment of up to \$8.50 for each Notice of Violation you received and paid, you need to complete and submit a Proof of Claim in a timely manner. The Proof of Claim is necessary to ensure that only eligible Settlement Class Members receive a monetary benefit. A Proof of Claim form is available at the Settlement web site at [_____] or by calling the Claims Administrator toll free at _____ or by writing the Claims Administrator at _____.
Do Nothing	By doing nothing, you forfeit the opportunity to receive any monetary compensation and you give up any rights to sue ATS, and certain parties related to it, separately about the claims that have been or could have been asserted in this lawsuit.
Ask to be Excluded	By asking to be excluded, you will not share in this Settlement. This is the only option that allows you to keep any rights to sue ATS about the same legal claims in this lawsuit.
Object	You may write to the Court about why you do not like the Settlement.
Go To A Hearing	You may ask to speak in Court about the fairness of the Settlement.

Your rights and options – and the deadlines to exercise them – are explained in detail below.

The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and after appeals are resolved. Please be patient.

QUESTIONS? VISIT [WEBSITE] OR CALL TOLL FREE [PHONE NUMBER]

EXHIBIT C

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QUESTIONS? VISIT [WEBSITE] OR CALL TOLL FREE [PHONE NUMBER]

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BASIC INFORMATION

1. Why did I receive notice of this lawsuit?

This lawsuit involves the City's enforcement of red light violations through the use of unmanned cameras. The City issued Notices of Violations imposing civil fees or fines for red light violations detected in this manner. **The records of ATS indicate that you received a Notice of Violation issued by or on behalf of the City pursuant to the Ordinance alleging a violation of the Ordinance that occurred on or before June 30, 2010, and paid the fee or fine imposed thereby.**

You previously received a postcard notice because you have a right to know about the proposed partial settlement of this class action lawsuit, and about your options, before the Court decides whether to approve the Settlement. If the Court approves it and after objections and appeals are resolved, an administrator appointed by the Court will make the payments that the Settlement allows.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the Circuit Court for the Seventh Judicial Circuit, in and for Flagler County, Florida, and the case is pending in front of the Honorable Dennis Craig, Circuit Judge. The lawsuit is known as *William G. Mayfield v. City of Palm Coast, American Traffic Solutions, LLC, and ATS American Traffic Solutions, Inc.*, Case No.: 2009-CA-002245. The person who sued is called Plaintiff, and the parties sued are called the Defendants.

2. What is this lawsuit about?

On or about January 8, 2008, the City adopted the Ordinance. The Ordinance made it a violation of the City of Palm Coast's Code of Ordinances to violate a red light. The Ordinance provided that red light violations could be detected by unmanned cameras, and that Notices of Violation imposing fees or fines would be issued to the registered owner of the vehicle so detected.

This lawsuit alleges that the Ordinance is invalid under Chapter 316 and 318 of the Florida Statutes and Article V and VIII, Section 2(b), of the Florida Constitution. In particular, the Complaint alleges that the Ordinance is invalid because (1) Chapters 316 and 318 of the Florida Statutes preempt all regulation and enforcement of red light violations to the State of Florida, and thereby prohibited the City from adopting the Ordinance and (2) the Ordinance violates provisions relating to the establishment of a court system in Article V of the Florida constitution.

3. Why is this lawsuit a class action and who is involved?

In a class action lawsuit, one or more people called "Class Representatives" or "Lead Plaintiffs" (in this case William Mayfield) sue on behalf of other people who have similar claims. The people together are a "Class" or "Class Members" (in this case the Settlement Class). The man who sued—and all of the Settlement Class Members like him—are called the Plaintiffs. The individual, government entity and/or company they sued (in this case the City and ATS) is/are called the Defendant(s). One court resolves the issues for everyone in the Settlement Class—except for those

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people who choose to exclude themselves from the Settlement Class. Circuit Judge Dennis Craig is in charge of this case and certified the lawsuit as a class action for settlement purposes only.

4. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or ATS. Instead, Lead Plaintiff and ATS agreed to enter into the Settlement after an extensive exchange of information and vigorous arms-length negotiation. That way, they avoid litigation costs, and the people affected will get compensation. The Lead Plaintiff, and counsel for the Lead Plaintiff and the Settlement Class Members ("Lead Counsel"), think the Settlement is best for the Settlement Class Members. The City did not settle with Lead Plaintiff and will continue to litigate this matter.

WHO IS COVERED BY THE SETTLEMENT

5. Am I a Settlement Class Member?

Your receipt of the Postcard Notice indicates that you have been identified as a potential Settlement Class Member because, according to Defendants' records, you received a Notice of Violation issued by or on behalf of the City pursuant to the Ordinance alleging violation of the Ordinance that occurred on or before June 30, 2010, and paid the fee or fine imposed thereby

THE SETTLEMENT BENEFITS-WHAT YOU GET

6. What does the Settlement provide?

If approved by the Court, the Settlement will result in dismissal of ATS from this case and final resolution of all claims raised against ATS. Such dismissal will release ATS from liability for the claims in this lawsuit. The City is not participating in this Settlement. The terms of the Settlement are described in full in a document known as the Stipulation and Agreement of Settlement ("Settlement Agreement"). The Settlement Agreement is available for your inspection at the office of the Flagler County Clerk of the Court, 1769 E. Moody Blvd., Bldg 1, Bunnell, FL 32110. The capitalized terms as used in this notice have the same meaning as the terms set forth in the Settlement Agreement.

7. What can I get from the Settlement?

Under the Settlement, ATS is making a Settlement Fund of \$168,684.00 available to pay the claims of eligible Settlement Class Members and certain other fees and expenses. The Settlement Fund will be applied first to any applicable Taxes and to pay any award to Lead Counsel and the Lead Plaintiff, as described in the Stipulation. After those payments, the Settlement Fund will be applied to valid and timely claims submitted by Settlement Class Members. It is anticipated that the Settlement Fund will enable a payment of up to \$8.50 for each Notice of Violation received and paid by a Settlement Class Member. ***Please note that if you have previously received a refund from the City for a Notice of Violation, you are NOT entitled to a payment from the Settlement Fund for that Notice of Violation.*** In the event that the Settlement Fund, net of the payments described herein, is not sufficient to enable a payment of \$8.50 for each claim, the per-claim payment will be

QUESTIONS? VISIT [WEBSITE] OR CALL TOLL FREE [PHONE NUMBER]

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decreased in proportion to the total number of claims made. If you are an eligible Settlement Class Member and wish to receive this benefit, you must timely submit a Proof of Claim to the Claims Administrator as described below.

HOW YOU GET COVERAGE - SUBMITTING A CLAIM

8. How can I make a claim?

If you are an eligible Settlement Class Member and you wish to receive a one-time payment of up to \$8.50 for each Notice of Violation that you received and paid, you need to complete and submit a Proof of Claim in a timely manner. This form is necessary to ensure that only eligible Settlement Class Members receive a monetary benefit. The Proof of Claim is available at the Settlement website at www._____com or by calling the Claims Administrator toll free at _____ or by writing the Claims Administrator at _____.

The fully completed Proof of Claim must be submitted via U.S. mail to the Claims Administrator at Florida Red Light Camera Litigation – Palm Coast Settlement at _____. The deadline for submission of the Proof of Claim is Month 00, 2012. Accordingly, to be valid, Proofs of Claim must be postmarked no later than Month 00, 2012, and accurately addressed to the Claims Administrator. You may attend the court hearing described below if you wish, but your attendance or non-attendance will not affect your eligibility to submit the Proof of Claim. You do not need to appear in court, and you do not need to hire an attorney in this case.

9. When would I get my payment?

The Court will hold a hearing on Month 00, 2012, to decide whether to approve the Settlement. If Judge Dennis Craig approves the Settlement, and after that, no appeal is taken, then you will be receiving your payment promptly. If an appeal is taken, then resolving it may take some time, perhaps up to, or more than, a year. Please be patient.

10. What am I giving up to get a payment or stay in the Settlement Class?

Unless you exclude yourself, you are staying in the Settlement Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against ATS regarding the legal issues in this case. It also means that all of the Court's orders will apply to you and legally bind you. In addition, as a result, as further detailed in the Settlement Agreement, Settlement Class Members who have not timely requested exclusion from this Settlement Class shall be deemed to have, and by operation of the Final Order shall have fully, finally and forever released, relinquished, and discharged all Released Claims, including Unknown Claims, against certain Released Persons.

The Settlement Agreement defines "Released Claims" – that is, the claims that you will give up against ATS – as any and all claims, rights, demands, obligations, controversies, debts, damages, losses, actions, causes of action, and liabilities of any kind or nature whatsoever (collectively, "Claims") whether in law or equity, whether based on federal, state, local, constitutional, statutory, or common law (including, but not limited to, claims sounding in tort (including fraud or fraud in the

QUESTIONS? VISIT [WEBSITE] OR CALL TOLL FREE [PHONE NUMBER]

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inducement) or contract) or any other law, whether accrued or unaccrued, fixed or contingent, or matured or unmatured, including both known and Unknown Claims, that have been or could have been asserted by the Lead Plaintiff or the Settlement Class Members, or any of them, or the heirs, executors, successors, or assigns of any of them, directly, derivatively, or in any representative or other capacity against ATS, in the Litigation or any other forum at any point from the beginning of time to the date of this Stipulation's execution arising out of the allegations, transactions, facts, events, matters, occurrences, acts, representations, or omissions involved in, set forth in, or referred to in the Complaint or that could have been asserted in the Complaint, including, without limitation, (1) Claims against ATS alleging that the Ordinance violates any state or federal constitutional or statutory provisions; (2) Claims against ATS alleging an entitlement or right to the return or restitution of any sums paid or expended in connection with an actual or alleged violation of the Ordinance; and (3) Claims against ATS challenging in any way the City's enforcement of actual or alleged red light infractions.

"Unknown Claims," which are among the Claims you will release, are defined as any and all Released Claims that any Plaintiff or Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons from the Released Claims which, if known by him, her or it, might have affected his, her or its decisions with respect to the Settlement and release of the Released Persons, or might have affected his, her or its decision not to object to this Settlement. With respect to any and all Released Claims, each of the Settlement Class Members shall be deemed to have expressly waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights, and benefits, conferred by any law, rules, or regulations of any state or territory of the United States or any other country, or principle of common or civil law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Lead Plaintiff and Settlement Class Members may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of the Released Claims, but Lead Plaintiffs shall expressly fully, finally and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, which expressly include Unknown Claims against ATS. The Parties acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver and inclusion of Unknown Claims in the definition of Released Claims was separately bargained for and a key element of the Settlement of which this release is a part.

The Released Persons – that is, those individuals and entities who you will not be able to sue on any Released Claim – are what the Settlement Agreement defines as the Settling Defendants and the Related Parties. The Settling Defendants are the two defendants referred to as ATS. The Related Parties means (i) ATS's successors, assigns, employees, officers, directors, attorneys, legal representatives, insurers, reinsurers, accountants or auditors, banks, investment banks, underwriters, consultants, and agents, (ii) any Person or entity which is or has been related to or affiliated with

EXHIBIT C

ATS, including, but not limited to, any direct or indirect predecessor, successor, parent, subsidiary, or sister corporation or business organization of ATS, and (iii) any Person or entity in which ATS has or had a controlling interest and the present and former parents, subsidiaries, divisions, affiliates, predecessors, successors, employees, officers, directors, attorneys, assigns, legal representatives, insurers, reinsurers, accountants or auditors, banks, investment banks, underwriters, consultants, and agents of any such Person or entity.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from the Settlement, but you want to keep the right to sue or continue to sue ATS, on your own, about the legal issues in this case, then you must take steps to get out. This is called excluding yourself or is sometimes referred to as opting out of the Settlement Class.

11. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail saying that you want to be excluded from the Florida Red Light Camera Litigation – Palm Coast Settlement. Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request letter postmarked by **Month 00, 2012**, to Florida Red Light Camera Litigation – Palm Coast Settlement - Exclusions, at _____.

You cannot exclude yourself on the phone or by e-mail. If you ask to be excluded, you will not get any settlement payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) ATS about the legal issues in this case in the future.

12. If I do not exclude myself, can I sue ATS for the same thing later?

No. Unless you exclude yourself, you give up the right to sue ATS for the claims that the Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that lawsuit immediately. You must exclude yourself from this Settlement Class to continue your own lawsuit. Remember, the exclusion deadline is **Month 00, 2012**. Any exclusion request postmarked after that date will not be valid, and the sender will be a Settlement Class Member and bound by the Settlement and Release.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court decided that the law firms of Schuler, Halvorson & Weisser, P.A. of West Palm Beach, Florida, and Burlington & Rockenbach, P.A., of West Palm Beach, Florida, are qualified to represent you and all Settlement Class Members. Together the law firms are called “Lead Counsel.” They are experienced in handling similar cases. More information can be obtained about these law firms, their practices, and their lawyers’ experience by contacting the following Lead Counsel:

Jason D. Weisser, Esq.
SCHULER, HALVORSON & WEISSER, P.A.

QUESTIONS? VISIT [WEBSITE] OR CALL TOLL FREE [PHONE NUMBER]

EXHIBIT C

1615 Forum Place, Suite 4-D
Barristers Building
West Palm Beach, FL 33401
(561) 689-8180
(561) 684-9683 (Facsimile)
Email: jweisser@shw-law.com
Website: www.shw-law.com

14. How will the lawyers be paid?

Lead Counsel has pursued this lawsuit on a contingent basis and has paid all costs of the lawsuit. These attorneys have not yet been paid or recovered any of their costs associated with the lawsuit. As part of the Settlement, Lead Counsel will request that the Court award them attorneys' fees and costs. Lead Counsel's petition for fees and costs ("Fee and Costs Application") will be filed with the Court no later than _____, and may be reviewed by any interested party. The Court will determine a final reasonable fee and costs award at the Fairness Hearing based on Lead Counsel's Fee and Costs Application and responses thereto, if any. Any money the Court awards Lead Counsel will be paid out of the Settlement fund created by ATS.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

15. How do I tell the Court that I do not like the Settlement?

You can object to the Settlement if you do not like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must (a) have served on the following counsel, such that they are received by such counsel on or before fourteen (14) calendar days before the Settlement Hearing, (i) a written notice of objection, including a written notice of your intention to appear if you intend to do so, (ii) a written statement of the position you will assert, (iii) the reasons for your position, and (iv) copies of any papers, briefs or other matter you wish the Court to consider:

Jason D. Weisser, Esq.
SCHULER, HALVORSON & WEISSER, P.A.
1615 Forum Place, Suite 4-D
Barristers Building
West Palm Beach, Florida 33401
Telephone: 561/689-8180
Facsimile: 561/684-9683

Counsel for Plaintiff

and

Sam J. Salaro, Esq.
CARLTON FIELDS, P.A.

QUESTIONS? VISIT [\[WEBSITE\]](#) OR CALL TOLL FREE [\[PHONE NUMBER\]](#)

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4221 West Boy Scout Blvd.
Suite 1000
Tampa, FL 33607
Telephone: 813/223-7000
Facsimile: 813/229-4133

Counsel for Defendants American Traffic Solutions, LLC, and ATS American Traffic Solutions, Inc.

and (b) filed said objections, papers and briefs, and proof of service on the above-listed counsel, with the Flagler County Clerk of the Court, 1769 E. Moody Blvd., Bldg 1, Bunnell, Fl 32110, on or before the same date. Any Settlement Class Member who does not make his, her or its objection in the manner provided shall be deemed to have waived such objection (including any right of appeal) and shall forever be foreclosed from making any such objection, including any objection to the fairness or adequacy of the proposed Settlement as incorporated in the Stipulation, unless otherwise ordered by the Court.

16. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class or Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

17. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Fairness Hearing on **Month 00, 2012**, at the Flagler County Courthouse, at 1769 E. Moody Blvd., Bunnell, Fl 32110, in Courtroom _____. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Dennis Craig will listen to people who have asked to speak at the hearing. At or after the hearing, the Court will also decide whether to approve the Settlement and how much to pay Lead Counsel. We do not know how long these decisions will take.

18. Do I have to come to the hearing?

No. Lead Counsel will answer any questions Judge Dennis Craig may have. But, you are welcome to come at your own expense. If you send an objection, you may come in person to the Court for the Fairness Hearing, retain your own attorney to appear for you at the Fairness Hearing, or not come at all, and the Court will consider your objection.

19. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Mayfield v. City of Palm Coast and*

QUESTIONS? VISIT [WEBSITE] OR CALL TOLL FREE [PHONE NUMBER]

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ATS.” Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be postmarked no later than Month 00, 2012, and be sent to Florida Red Light Camera Litigation – Palm Coast Settlement, at _____ . You cannot speak at the hearing if you excluded yourself from the Settlement Class.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you do nothing, you forfeit the opportunity to receive any monetary compensation and you give up any rights to sue ATS separately about the claims that have been or could have been asserted in this lawsuit.

GETTING MORE INFORMATION

21. Are there more details available?

The Pleadings, the Stipulation of Agreement and Settlement, and other papers filed in this lawsuit are available for inspection in the offices of the Flagler County Clerk of the Court, 1769 E. Moody Blvd., Bldg 1, Bunnell, FL 32110.

Additional information may be obtained at the Settlement website at [www._____.com]. You may also contact the Claims Administrator toll free at _____ or in writing at _____. Additionally, you may contact Lead Counsel, whose contact information is listed above.

PLEASE DO NOT TELEPHONE THE COURT OR THE CLERK OF THE COURT.

DATE: MONTH 00, 2012.

EXHIBIT D

IN THE CIRCUIT COURT OF THE SEVENTH JUDICIAL CIRCUIT
IN AND FOR FLAGLER COUNTY, FLORIDA

WILLIAM G. MAYFIELD,
on behalf of himself and all
other persons similarly situated,

Plaintiff,

vs.

CASE NO. 2009-CA-002245

CITY OF PALM COAST,
AMERICAN TRAFFIC
SOLUTIONS, LLC, and
ATS AMERICAN TRAFFIC
SOLUTIONS, INC.,

Defendants.

**ORDER FOR PRELIMINARY APPROVAL OF SETTLEMENT AGREEMENT,
NOTICE, AND SCHEDULING OF HEARING ON FEES AND COSTS AND
HEARING ON SETTLEMENT**

(Defendant City of Palm Coast is not participating in this Settlement)

Lead Plaintiff in the above-captioned litigation (the "Litigation") having made an application pursuant to Rule 1.220 of the Florida Rules of Civil Procedure for an order for notice and scheduling of a hearing with respect to a settlement of this Litigation in accordance with a Stipulation and Agreement of Settlement dated as of _____, 2012, (the "Stipulation"), which, together with the exhibits thereto, sets forth the terms and conditions for the proposed settlement ("Settlement") of this Litigation as to Defendants American Traffic Solutions, LLC, and ATS American Traffic Solutions, Inc. (collectively the "Settling Defendants"), only¹, and which provides for the ultimate dismissal of the Litigation against Settling Defendants with prejudice; and the Court having considered the Stipulation and accompanying documents; and

¹ As noted in the subtitle of this Order, Defendant City of Palm Coast is not participating in this Settlement. As a result, the litigation between Lead Plaintiff and the City of Palm Coast shall continue notwithstanding this Settlement.

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Lead Plaintiff and the Settling Defendants having consented to the entry of this Order, it is hereby:

ADJUDGED as follows:

1. **Definitions.** Except for terms defined herein (with the definitions to be applicable to both the singular and the plural forms of each term defined if both such forms of such term are used herein), the Court adopts and incorporates the definitions in the Stipulation for purposes of this Order.

2. **Approval of Notice.** The Court approves, in form and content, (1) the Notice of Pendency of Class Action, Proposed Partial Settlement, and Hearing Date for Court Approval, substantially in the form annexed as Exhibit C to the Stipulation (the "Long Form Notice"), and (2) the Postcard Notice of Pendency and Proposed Settlement of Class Action and Hearing on Proposed Settlement, substantially in the form annexed as Exhibit B to the Stipulation (the "Postcard Notice"). The Court finds that the mailing of the Postcard Notice, as set forth in paragraph 3, will fully satisfy the requirements of Rule 1.220 of the Florida Rules of Civil Procedure, due process and applicable law, is the best notice practicable and shall constitute due and sufficient notice of the Settlement and Settlement Hearing (as defined below) and all other matters referred to in the Notice to all Persons entitled to receive such Notice. Settling Defendants shall, no later than seven (7) days before the Settlement Hearing scheduled herein, file with the Court proof, by affidavit or declaration, of such mailing with respect to the Notice.

3. **Notice Procedures.** Within sixty (60) days of the date of this Order, Settling Defendants shall at their expense cause a copy of the Postcard Notice, substantially in the form annexed as Exhibit B to the Stipulation, to be mailed by United States mail, postage pre-paid, to all members of the Settlement Class (as defined below) who can be identified with reasonable

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effort, at their last known addresses appearing in the records maintained by or on behalf of Settling Defendants. In addition, Settling Defendants shall at their expense cause a Claims Administrator to maintain a web site, which shall provide Settlement Class Members with current information regarding the Settlement and the Long Form Notice. The Claims Administrator shall also make a copy of the Long Form Notice available to any Settlement Class Member who requests a copy of the Long Form Notice in writing or by calling toll free the Claims Administrator.

4. **Satisfaction of Rules 1.220(a) and (b)(3)**. Solely for the purposes of this Settlement, and without prejudice to the right of the City of Palm Coast to later argue that class certification would be inappropriate for purposes of litigation, the Court finds that the requirements of 1.220(a) and (b)(3) of the Florida Rules of Civil Procedure are satisfied here. Florida Rule of Civil Procedure 1.220(a) sets forth the prerequisites for obtaining class certification, which are commonly referred to as numerosity, commonality, typicality, and adequacy of representation. Numerosity requires that the members of the class are so numerous that separate joinder of each member is impractical. Here, with over 13,600 members of the class, the numerosity requirement is met. For commonality, the resolution of the common questions must affect all or a substantial number of the class members. Here, the common question is whether the Ordinance violates the Florida Statutes and the Florida Constitution, and the resolution of that issue will affect all of the class members. For typicality, the claim of the representative must be typical of the claim of each member of the class. Typicality is similar in concept to commonality, and, here, Lead Plaintiff's claim is typical of the other class members and arises from the same conduct giving rise to the claims of the absent class members. Lead Plaintiff and all of the class members are vehicle owners who received notices of violations

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pursuant to and under the authority of the City's Ordinance, through the use of unmanned cameras, and paid said violations. For adequacy of representation, both Lead Plaintiff and his counsel are adequate. Lead Plaintiff's interests are completely consistent with the interests of the absent class members, and his counsel has sufficient experience litigating class action lawsuits. Lastly, this class satisfies the requirements of Rule 1.220(b)(3) because the proposed class is sufficiently cohesive to warrant adjudication by class representation. Significantly, the class has been carefully defined to avoid potential conflicts and individualized issues.

5. **Conditional Certification of the Settlement Class.** Pursuant to Rules 1.220(a) and (b)(3) of the Florida Rules of Civil Procedure, the Court conditionally certifies, solely for the purpose of this Settlement, a Settlement Class consisting of all Persons who received a Notice of Violation issued by or on behalf of the City pursuant to the Ordinance alleging a violation of the Ordinance that occurred on or before June 30, 2010, and who paid the fee or fine imposed thereby. Excluded from the Settlement Class are (a) the Settling Defendants and their officers and directors, (b) the City of Palm Coast's officers, directors, elected officials, and appointed officials, and (c) any and all Persons who timely and validly request exclusion from the Settlement Class. Within ninety (90) days after such time as set by the Court above to mail the Postcard Notice to the Settlement Class, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a fully completed and certified Proof of Claim, in the form of Exhibit E attached to the Stipulation. To be valid, Proofs of Claim must be postmarked no later than ninety (90) days after such time as set by the Court above to mail the Postcard Notice to the Settlement Class and must be accurately addressed to the Claims Administrator. Any person falling within the definition of the Settlement Class may request to be excluded from the Settlement Class by submitting in writing a Request for Exclusion to the

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Claims Administrator. To be valid, Requests for Exclusion must be postmarked no later than ninety (90) days after such time as set by the Court above to mail the Postcard Notice to the Settlement Class and must be accurately addressed to the Claims Administrator. Requests for Exclusion may not be made on the telephone or by e-mail. All persons who submit valid and timely Requests for Exclusion shall have no rights under the Stipulation, shall not receive payment from the Settlement Fund, and shall not be bound by the Stipulation or the Judgment. However, a Settlement Class Member may submit a written revocation of a Request for Exclusion up to and until the deadline for submitting a Proof of Claim or Request for Exclusion and receive a payment pursuant to this Stipulation provided that the Settlement Class Member also submits a valid Proof of Claim. A Settlement Class Member who submits a timely and valid revocation of a Request for Exclusion, but who fails to submit a timely and valid Proof of Claim, shall nonetheless be bound by the terms of the Stipulation and the Judgment.

6. **Designation of Lead Plaintiff and Lead Counsel.** The Court conditionally designates plaintiff William G. Mayfield as Lead Plaintiff for the sole purpose of settlement proceedings, and his counsel as Lead Counsel.

7. **Preliminary Approval of the Settlement.** The Court preliminarily approves the Stipulation and the Settlement set forth therein, as fair, reasonable and adequate, subject to further consideration at the Settlement Hearing described below.

8. **Fees and Costs Hearing.** A hearing (the "Fees and Costs Hearing") shall be held before this Court on _____, 2012 at _____m., before the Honorable Dennis Craig in the Flagler County Courthouse, Courtroom __, at 1769 E. Moody Blvd., Bunnell, FL 32110, to determine the reasonable fees and costs to be awarded to Lead Counsel. Lead Counsel's petition

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for reasonable fees and costs shall be filed with the Court and served upon all parties, and on the Persons filing objections or, if they are represented by an attorney, their attorney, no later than seven (7) calendar days before the Fees and Costs Hearing.

9. **Settlement Hearing.** A hearing (the "Settlement Hearing") shall be held before this Court on , 2012 at : .m., before the Honorable Dennis Craig Craig in the Flagler County Courthouse, Courtroom , at 1769 E. Moody Blvd., Bunnell, FL 32110, to: (i) determine whether, for settlement purposes only, the Court's conditional certification of the Settlement Class, pursuant to Rule 1.220(b)(3) of the Florida Rules of Civil Procedure, should be made final; (ii) determine whether the Court should grant final approval of the proposed Settlement on the terms and conditions provided for in the Stipulation as fair, reasonable and adequate; (iii) determine whether judgment should be entered pursuant to the Stipulation, *inter alia*, dismissing the Litigation as to ATS only with prejudice; and (iv) hear and determine other matters relating to the proposed Settlement. The Court may adjourn the Settlement Hearing without further notice to the Settlement Class Members other than an oral announcement at the Settlement Hearing or any adjournment thereof. Lead Plaintiff's and the Settling Defendants' papers in support of final approval and/or in opposition to any objections may be filed with the Court and served upon all parties, and on the Persons filing objections or, if they are represented by an attorney, their attorney, no later than seven (7) calendar days before the Settlement Hearing. The Court may approve the Settlement at or after the Settlement Hearing with such modifications as may be consented to by the Parties and without further notice to the Settlement Class Members.

10. **Appearance at Settlement Hearing and Objections to Settlement.** Any Settlement Class Member may appear and show cause, if he, she or it has any reason why the

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Settlement should or should not be approved, or why the Order and Final Judgment should or should not be entered, provided, however, that no Settlement Class Member shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement or, if approved, the Order and Final Judgment to be entered thereon, unless that Person (a) has served on the following counsel, such that they are received by such counsel on or before fourteen (14) calendar days before the Settlement Hearing, (i) a written notice of objection, including a written notice of his, her or its intention to appear if he, she or it intends to do so, (ii) a written statement of the position he, she or it will assert, (iii) the reasons for his, her or its position, and (iv) copies of any papers, briefs or other matter they wish the Court to consider:

Jason D. Weisser, Esq.
SCHULER, HALVORSON & WEISSER, P.A.
1615 Forum Place, Suite 4-D
Barristers Building
West Palm Beach, Florida 33401
Telephone: 561/689-8180
Facsimile: 561/684-9683

Counsel for Plaintiff

and

Sam J. Salaro, Esq.
CARLTON FIELDS, P.A.
4221 West Boy Scout Blvd.
Suite 1000
Tampa, FL 33607
Telephone: 813/223-7000
Facsimile: 813/229-4133

**Counsel for Defendants American Traffic Solutions, LLC,
and ATS American Traffic Solutions, Inc.**

and (b) filed said objections, papers and briefs, and proof of service on the above-listed counsel, with the Flagler County Clerk of the Court at 1769 E. Moody Blvd., Bunnell, FL 32110, on or before the same date. Any Settlement Class Member who does not make his, her or its objection

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in the manner provided shall be deemed to have waived such objection (including any right of appeal) and shall forever be foreclosed from making any such objection, including any objection to the fairness or adequacy of the proposed Settlement as incorporated in the Stipulation, unless otherwise ordered by the Court.

11. **Stay of Proceedings.** All proceedings between Lead Plaintiff and Settling Defendants in the Litigation, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement, are hereby stayed and suspended until further order of this Court. Until further Order of the Court, Lead Plaintiff and the Settlement Class Members are enjoined from commencing, prosecuting, or maintaining any civil action against the Settling Defendants and the Released Persons based upon the Released Claims. The proceedings, however, are not stayed between Lead Plaintiff and Defendant City of Palm Coast.

12. **Termination of Settlement.** If the Settlement is not approved by the Court or shall not become effective for any reason whatsoever, the Settlement, any Settlement Class certification herein and any actions taken or to be taken in connection therewith (including this Order and any judgment entered herein) shall be terminated and shall become null and void and of no further force and effect, except for Settling Defendants' obligation to pay for any expenses incurred in connection with the Notice and administration as provided for by this Order.

13. **No Admissions by the Parties.** The provisions contained in the Stipulation and this Order shall not be deemed or constitute a presumption, concession or an admission by any party in the Litigation of any fault, liability or wrongdoing or lack of any fault, liability or wrongdoing, as to any facts or claims alleged or asserted in the Litigation or any other actions or proceedings, and shall not be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any Person in the Litigation, or in any other action or proceeding,

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whether civil, criminal or administrative, except in connection with any proceeding to enforce the terms of the Stipulation.

14. **Retention of Exclusive Jurisdiction by the Court.** The Court retains exclusive jurisdiction over this Settlement to consider all further applications arising out of or connected with the proposed Settlement.

DONE and ORDERED in Chambers, at Bunnell, Flagler County, Florida, this _____ day of _____, 2012.

DENNIS CRAIG
CIRCUIT JUDGE

Copies furnished to:
Counsel of Record

EXHIBIT E

IN THE CIRCUIT COURT OF THE SEVENTH JUDICIAL CIRCUIT
IN AND FOR FLAGLER COUNTY, FLORIDA

WILLIAM G. MAYFIELD,
on behalf of himself and all
other persons similarly situated,

Plaintiff,

vs.

CASE NO. 2009-CA-002245

CITY OF PALM COAST,
AMERICAN TRAFFIC
SOLUTIONS, LLC, and
ATS AMERICAN TRAFFIC
SOLUTIONS, INC.,

Defendants.

_____ /

OFFICIAL PROOF OF CLAIM FORM AND RELEASE

This Official Proof of Claim Form (“Proof of Claim”) has been provided to you in connection with the partial settlement of this class action litigation (“Partial Settlement”). By properly filling out this Proof of Claim and certifying your eligibility as a settlement class member (“Settlement Class Member”) to participate in this Partial Settlement, you may be entitled to a monetary recovery, subject to approval of your claim in accord with the settlement documents. The City of Palm Coast is not participating in this Partial Settlement.

Your fully-completed Proof of Claim and any necessary supporting documentation must be postmarked by _____, 2012. Failure to timely submit this fully-completed Proof of Claim, and, if appropriate, any required supporting documentation, will result in the denial of your claim.

PART I. ELIGIBILITY

If you received a notice of violation (“Notice of Violation”) issued by or on behalf of the City of Palm Coast (“City”) pursuant to the City of Palm Coast Code of Ordinances, Article III, Sections 38-81 through 38-95 (Ord. No. 07-585, Section 70-81 through 70-95, 1-8-2008), titled “Traffic Light Safety” (“Ordinance”), alleging a violation of the Ordinance that occurred on or before June 30, 2010, and paid the fee or fine imposed thereby, you may be eligible to receive money in this Partial Settlement.

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PART II. HOW TO PREPARE YOUR CLAIM

1. In order to be eligible to participate in this Partial Settlement, you must have (a) received a Notice of Violation issued by or on behalf of the City pursuant to the Ordinance alleging a violation of the Ordinance that occurred on or before June 30, 2010, and (b) paid the fee or fine imposed by that Notice of Violation. In other words, you must have been the person to whom the Notice of Violation was directed, and the fee or fine must have been paid personally by you and not someone else, such as a joint registered owner, family member, or friend. **If you did not receive a Notice of Violation for running a red light in the City on or before June 30, 2010, and/or did not pay the fine imposed by the Notice of Violation, then DO NOT submit a Proof of Claim.**

2. In order to be eligible to participate in the distribution of the Partial Settlement, you must properly complete, sign, and mail this Proof of Claim to the Claims Administrator prior to _____, 2012. Proofs of Claim postmarked after _____, 2012, will not be honored. **You will not be able to receive a payment if your Proof of Claim is postmarked after _____, 2012, but you will still be bound by all of the other terms of the Partial Settlement and any orders of the Court.**

3. If you received and paid more than one Notice of Violation for separate alleged violations of the Ordinance, you must submit a separate Proof of Claim for each such Notice of Violation. For example, if you received and paid a Notice of Violation for an alleged Ordinance violation on January 1, 2010, and then received and paid a separate Notice of Violation for an alleged Ordinance violation on February 1, 2010, you must submit a separate Proof of Claim for each Notice of Violation. **If you have already received a refund from the City for a Notice of Violation, do not submit a Proof of Claim with respect to that Notice of Violation.**

4. The submission of this Proof of Claim does not ensure that your claim will be upheld or that you will share in the Partial Settlement. All claims are subject to verification and investigation as provided in the settlement documents filed with the Court.

5. Executors, administrators, guardians, conservators, and trustees may complete and sign the Proof of Claim on behalf of persons or entities represented by them, but they must identify such persons or entities and provide proof of their authority (e.g., powers of attorney or currently effective letters testamentary or letters of administration) to do so.

6. Important additional information regarding the Partial Settlement and this Proof of Claim is contained in the notice ("Notice") available at [website] or by calling the Claims Administrator toll free at _____ or writing the Claims Administrator at _____. The Notice is a summary and does not describe all of the details of the Partial Settlement, which has been memorialized in a Stipulation and Agreement of Settlement ("Settlement Agreement") executed by the parties to the Partial Settlement and filed with the Court. For full detail of the matters discussed in the Notice, you may review the Settlement Agreement, with exhibits, in the office of the Clerk of the Court, at 1769 E. Moody Blvd., Bldg 1, Bunnell, FL 32110.

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7. If you have any questions or need additional Proofs of Claim, please go to [website] or contact the Claims Administrator by calling the Claims Administrator toll free at _____ or writing the Claims Administrator at _____. You may make photocopies of this form.

8. If you think that you meet the criteria set forth above and wish to apply for possible payment, for each separate claim you must do the following:

- a. Read this Proof of Claim Form.
- b. Review the Notice which explains in more detail who is entitled to a payment. If you do not have the Notice, or have questions, contact the Claim Administrator.
- c. Fully complete the Proof of Claim by filling in **all** of the information required herein.
- d. If you are making a claim, sign the Proof of Claim and return it by mail along with any additional documents you deem necessary, postmarked on or before _____ to the Claims Administrator, addressed as follows:

Florida Red Light Camera Litigation – Palm Coast Claims Administrator
[fill in address]

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PART III. CLAIMANT IDENTIFICATION

Please type or print

Name

Violation Number on Notice of Violation (if known)

Date of Notice of Violation (if known)

Were you the registered owner of the motor vehicle identified in the Notice of Violation at the time the Notice of Violation was issued?

yes no

Was the motor vehicle identified in the Notice of Violation jointly registered with another person in addition to yourself?

yes no

Did you personally pay the fine or fee imposed pursuant to the Notice of Violation?

yes no

Have you received a refund from the City for the Notice of Violation?

yes no

If you did not personally pay the fine or fee imposed pursuant to the Notice of Violation, please state the name of the person who did pay the notice of violation and that person's relationship to the motor vehicle involved in the violation alleged in the Notice of Violation (for example, a joint owner, the driver, a friend, or other person):

The following information is needed for the person who both received the Notice of Violation and paid the fine:

Street Address

City

State

Zip Code

Foreign Province

Foreign Country

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Social Security Number

Or

Taxpayer Identification Number

Area Code

Telephone Number

(Day)

Area Code

Telephone Number

(Night)

Facsimile Number

E-Mail Address

PART IV. SUBMISSION TO JURISDICTION OF COURT AND RELEASE

By submitting this Proof of Claim, I do declare, certify and agree, on behalf of the entity for which I am submitting this application:

1. I hereby submit to the jurisdiction of the Circuit Court for the Seventh Judicial Circuit in and for Flagler County, Florida, and I agree to be bound by the terms of the Settlement Agreement referred to in the Notice.

2. I, on behalf of myself and my heirs, executors, successors, and assigns, do hereby release, acquit, and forever discharge the Released Persons, as those terms are defined in the Settlement Agreement on file with the Court, of and from any and all claims, rights, demands, obligations, controversies, debts, damages, losses, actions, causes of action, and liabilities of any kind or nature whatsoever (collectively, "Claims") whether in law or equity, whether based on federal, state, local, constitutional, statutory, or common law (including, but not limited to, claims sounding in tort (including fraud or fraud in the inducement) or contract) or any other law, whether accrued or unaccrued, fixed or contingent, or matured or unmatured, including both known and Unknown Claims, that have been or could have been asserted by the Lead Plaintiff or the Settlement Class Members, or any of them, or the heirs, executors, successors, or assigns of any of them, directly, derivatively, or in any representative or other capacity against Defendants American Traffic Solutions, LLC, and ATS American Traffic Solutions, Inc., (together "ATS") in the Litigation or any other forum at any point from the beginning of time to the date of the Settlement Agreement's execution arising out of the allegations, transactions, facts, events, matters, occurrences, acts, representations, or omissions involved in, set forth in, or referred to in the Complaint or that could have been asserted in the Complaint, including, without limitation, (1) Claims against ATS alleging that the Ordinance violates any state or federal constitutional or statutory provisions; (2) Claims against ATS alleging an entitlement or right to the return or restitution of any sums paid or expended in connection with an actual or alleged violation of the Ordinance; and (3) Claims against ATS challenging in any way the City's enforcement of actual or alleged red light infractions (collectively, the "Released Claims").

I understand that this release includes "Unknown Claims," which means any and all Released Claims that I do not know or suspect to exist in my favor at the time of this release and which, if known by me, might have affected my decision with respect to the Settlement and release of the Released Persons, or might have affected my decision not to object to this Settlement. With respect to any and all Released Claims, I agree that, by executing this Proof of

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Claim, I have expressly waived any and all provisions, rights, and benefits, conferred by any law, rules, or regulations of any state or territory of the United States or any other country, or principle of common or civil law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

I understand that I may hereafter discover facts in addition to or different from those which I now know or believe to be true with respect to the subject matter of the Released Claims, but agree that I have fully, finally and forever settled and released any and all Released Claims against ATS, which expressly include Unknown Claims against ATS. I acknowledge that the foregoing waiver and inclusion of Unknown Claims in the definition of Released Claims was separately bargained for and a key element of the Settlement of which this release is a part.

3. I understand that by signing this Proof of Claim I do not waive any objection or motion to intervene that I have had filed with the Court regarding the Settlement Agreement, but that should the Court overrule the objection and give final approval to the Settlement Agreement, this release will become effective when the Court's final judgment becomes final.

4. I hereby certify, swear and affirm, under penalty of perjury, that the information I have provided in this Proof of Claim and any supporting documentation is true and correct to the best of my knowledge, that I received a Notice of Violation issued by or on behalf of the City pursuant to the Ordinance alleging a violation of the Ordinance that occurred on or before June 30, 2010, and paid the fee or fine imposed thereby, **and that I qualify for membership in the Settlement Class, described above.**

Signature of Claimant

Signature of Additional Claimant(s) (if any)