

AMENDMENT TO RELEASE AND SETTLEMENT AGREEMENT

THIS AMENDMENT TO RELEASE AND SETTLEMENT AGREEMENT ("Amendment") is made by and between Kleinhans Farms Estates, LLC ("KFE") and Flathead County, a duly existing political subdivision of the State of Montana ("County" or "Commissioners").

Recitals:

WHEREAS, on February 5, 2010, the parties executed a Release and Settlement Agreement (the "Release") setting forth the terms for resolving litigation known as Cause No. DV-08-614(B), Montana Eleventh Judicial District, subject to an opportunity for public review and comment and subsequent consideration thereof by the County;

WHEREAS, on March 1, 2010, the Commissioners held a public hearing, received public comment and with the consent of KFE delayed final deliberations on the matter until March 8, 2010;

WHEREAS, since the hearing on March 1, 2010, the parties, along with certain interested and qualified organizations, have continued to engage in discussions regarding the potential purchase of the property as an alternative resolution to the proposed Release; and

WHEREAS, the County desires to amend the Release to enable the parties to continue discussions regarding a purchase of the property for a defined period of time;

NOW THEREFORE, the Parties agree as follows:

1. Section 5 of the Release is amended and replaced to read as follows:

Should the Parties fail to reach a mutually acceptable agreement to purchase the property, or a portion thereof, as an alternative to the Release and Settlement Agreement by on or before April 5th 2010, the parties to the release and settlement agreement expressly agree and acknowledge that the Release and Settlement agreement will be filed with the Eleventh Judicial District Court, Cause No. DV-08-614(B) as an agreed upon consent decree, within 24 hours of such failure but no later than April 6th 2010

2. Section 7.a. of the Release is amended and replaced to read as follows:

Within three (3) days of executing this Amendment, a lump sum payment will be made to KFE in the amount of One Hundred Seventy Five Thousand and No/Dollars (\$175,000.00); One Hundred Thousand Dollars (\$100,000) within 3 days of the filing of the consent decree, and within three (3) days of the approval of the Consent Decree by the Court, a lump sum payment in the amount of Two Hundred Twenty Five Thousand and No/100 Dollars (\$225,000.00).

KFE will credit the County's \$175,000 payment toward the purchase price. Should the Parties fail to reach an agreement on the purchase of the property within the allotted time as above referenced, the additional obligations contained in Section 7 of the Release remain in effect (as well as the obligations contained in Section 3), and the County will

be credited the One Hundred Seventy Five Thousand Dollar (\$175,000) towards such obligations.

3. Should the purchase of the property, or a portion thereof, fail to close on the date agreed under the mutually acceptable agreement to purchase, then in that event, the parties will file the Release and Settlement Agreement as an agreed upon consent decree, within 24 hours of such failure.

4. The remaining portions of the Release remain unchanged.

DATED this ____ day of March, 2010.

KLEINHANS FARMS ESTATES, LLC

APPROVED BY:

By: Keith D. Simon, its Managing Member

Terance P. Perry, Esq
Attorney for Kleinhans Farms Estates, LLC

FLATHEAD COUNTY, MONTANA
Board of Commissioners

APPROVED BY:

By: Joseph D. Brenneman, Chairman

Alan F. McCormick, Esq.
Attorney for Flathead County