

**AMENDMENT NO. 1 TO SETTLEMENT AGREEMENT  
AND MUTUAL RELEASE EXECUTED ON FEBRUARY 2, 2009**

THIS AMENDMENT NO. 1 TO SETTLEMENT AGREEMENT AND MUTUAL RELEASE EXECUTED ON FEBRUARY 2, 2009 (the "Amendment"), is made this February 26, 2009, by and between Northstar Mountain Properties, LLC ("NMP") and the Prosecution Team of the California Regional Water Quality Control Board, Lahontan Region ("Prosecution Team") (collectively, the "Parties") who agree as follows:

RECITALS

- A. On or about February 2, 2009, the Parties entered into a Settlement Agreement and Mutual Release ("Agreement"), which is incorporated herein by reference. Exhibit A to the Agreement was the February 2, 2009, Proposed Administrative Civil Liability Order No. R6T-2009-(Proposed) (the "Proposed ACL Order").
- B. Since February 2, 2009, the Parties have conferred with the California Regional Water Quality Control Board, Lahontan Region Advisory Team ("Advisory Team") for the purpose of receiving comments from the Advisory Team prior to presenting the Proposed ACL Order for adoption by the California Regional Water Quality Control Board, Lahontan Region.
- C. The Parties now desire to amend the Proposed ACL Order as provided herein by replacing Exhibit A in its entirety with a modified Exhibit A to facilitate the approval of the proposed settlement, and to carry out its terms.

AGREEMENT

The Agreement is hereby amended as follows:

1. The February 26, 2009, Proposed Administrative Civil Liability Order No. R6T-2009-(PROPOSED) (the "Revised Proposed ACL Order") attached hereto as Amended Exhibit A supersedes and replaces the Proposed ACL Order attached as Exhibit A to the Agreement.
2. The Revised Proposed ACL Order contains changes to the Proposed ACL Order, which are detailed using a strikeout-underline format. The changes in Amended Exhibit A supersede and replace Exhibit A to the Agreement in its entirety. For reference purposes, the changes found in the Amended Exhibit A are limited to the text of (i) the Revised Proposed ACL Order itself, (ii) the Supplemental Environmental Project Proposal (Attachment C to the Revised Proposed ACL Order), and (iii) this Amendment to the Agreement (Attachment E to the Revised Proposed ACL Order). It is the Parties intent that Attachments A, B and D to the Proposed ACL Order shall remain unchanged

and are only provided herein as Attachments to the Revised Proposed ACL Order for easy reference.

3. To the extent that the Amendment is inconsistent with the Agreement, the terms of the Amendment shall control. Except for the terms of this Amendment, the remaining provision of the Agreement shall be unaffected and remain in full force and effect.

This Amendment is entered into and shall be construed and interpreted in accordance with the laws of the State of California.

**For the Lahontan Water Board's Prosecution Team:**

Date: February 26, 2009

By:   
Robert Dodds  
Assistant Executive Officer

Approved as to Form:

  
Yvonne West  
Counsel to Prosecution Team

**For the NORTHSTAR MOUNTAIN PROPERTIES, LLC,  
a Delaware limited liability company**

**By: NMP HOLDINGS, LLC,  
a Delaware limited liability company, its Manager**

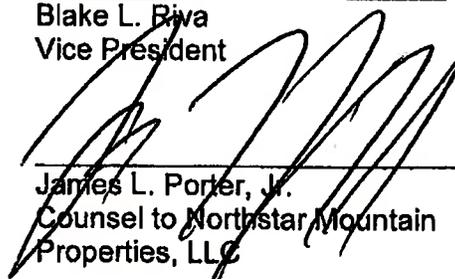
**By: EAST WEST RESORT DEVELOPMENT V, L.P., L.L.L.P.,  
a Delaware limited partnership registered as a limited liability  
limited partnership, its member and Manager**

**By: HF HOLDING CORP.,  
a Colorado corporation, its sole General Partner**

Date: 2/26/09

By:   
Blake L. Riva  
Vice President

Approved as to Form:

  
James L. Porter, Jr.  
Counsel to Northstar Mountain  
Properties, LLC

**Amended Exhibit A**

**February 26, 2009**

**Revised Proposed Administrative Civil Liability Order No.  
R6T-2009-(PROPOSED)**