


UNITED STATES BANKRUPTCY COURT		District of South Carolina	PROOF OF CLAIM
Name of Debtor: Rafael and Jeanne Martinez		Case Number: 12-01229	<p style="text-align: center;">COURT USE ONLY</p> <input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.			
Name of Creditor (the person or other entity to whom the debtor owes money or property): The Cliffs as Keowee Falls Golf & Country Club, LLC d/b/a The Cliffs Golf & Country Club			
Name and address where notices should be sent: Rafael and Jeanne Martinez 1119 Fairfield Meadows Dr. Weston, FL 33327		<p style="font-size: 24px; margin: 0;">RECEIVED</p> <p style="font-size: 24px; margin: 0;">MAR 29 2012</p> <p style="font-size: 24px; margin: 0;">BMC GROUP</p>	<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
Telephone number: (954) 385-3916 email: jeanne@iltanet.org		Name and address where payment should be sent (if different from above):	
Telephone number: _____ email: _____			
1. Amount of Claim as of Date Case Filed: \$ <u>25,000.00</u> If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.			
2. Basis for Claim: <u>Membership Deposit refund due since December, 2009</u> (See instruction #2)			
3. Last four digits of any number by which creditor identifies debtor: _____		3a. Debtor may have scheduled account as: _____ (See instruction #3a)	
		3b. Uniform Claim Identifier (optional): _____ (See instruction #3b)	
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____	
Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____		Basis for perfection: _____	
Value of Property: \$ _____		Amount of Secured Claim: \$ _____	
Annual Interest Rate _____% <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		Amount Unsecured: \$ _____	
5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.			
<input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).		<input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).	
<input checked="" type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).		<input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).	
		<input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).	
		<input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(____).	
		Amount entitled to priority: \$ <u>25,000.00</u>	
		Cliffs POC  00094	
*Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.			
6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)			

7. Documents: Attached are **redacted** copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. If the claim is secured, box 4 has been completed, and **redacted** copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

8. Signature: (See instruction #8)

Check the appropriate box.

- I am the creditor. I am the creditor's authorized agent. I am the trustee, or the debtor, I am a guarantor, surety, indorser, or other codebtor.
(Attach copy of power of attorney, if any.) or their authorized agent. (See Bankruptcy Rule 3005.)
(See Bankruptcy Rule 3004.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

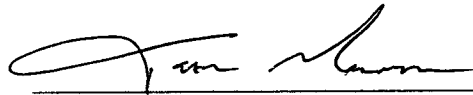
Print Name: Jeanne Martinez

Title: _____

Company: _____

Address and telephone number (if different from notice address above): _____

Telephone number: _____ email: _____

 3-26-12
(Signature) (Date)

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:

Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:

Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a).

If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

8. Date and Signature:

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, attach a complete copy of any power of attorney, and provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506 (a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507 (a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Summary of document attachments

In May, 2006 we purchased our present homesite in Cliffs at Keowee Falls South. At that time we also purchased a Family Membership with the Cliffs Golf & Country Club. (Exhibit A).

We maintained the membership in good standing until December 16, 2009 when we gave formal notice that it should be terminated. (Exhibit B).

We've called every 6 months or so for over 2 years inquiring as to the status of our \$25,000 deposit refund and been told we were "next in line" or sometimes "second in line" to be paid. In October, we were actually told that there had been no sales at all in the prior year and that is why we were still second in line to be paid (Exhibit C).

Even in post bankruptcy filing correspondence, the Cliffs indicates they will keep us updated on the progress of our return (Exhibit D) which to us means they feel the debt is still due and owing.



Club Membership Addendum

THIS ADDENDUM is executed by and between The Cliffs Golf & Country Club, Inc. in behalf of The Cliffs Club (the "Club") and the below identified "Seller" (the "Seller") and below identified "Purchaser" (the "Purchaser") of the below identified single-family property (the "Property") in the Cliffs community also identified below (the "Community"), and is an amendment of and addition to that certain Real Estate Sale and Purchase Agreement (the "Agreement") between the Seller and Purchaser.

Purchaser:	<u>Rafael Martinez</u>	Community:	<u>Cliffs at Keowee Falls South</u>
	<u>Jeanne Martinez</u>	Section:	<u>Emerald Bay</u>
Agreement Date:	_____	Property #:	<u>12</u>
Property List Price	\$ <u>350,000.00</u>		
Property's Discounted Purchase Price	(\$ <u>25,000.00</u>)		\$ <u>325,000.00</u>
<input checked="" type="checkbox"/> Family Membership Privileges, Initiation Deposit	If checked, Purchaser will apply at Closing the amount of the discount given for Cliffs Family Membership privileges, and pay \$25,000 balance, for a total \$50,000.00 deposit.		\$ <u>50,000.00</u>
<input type="checkbox"/> Golf Membership, Initiation Deposit	If checked, Purchaser wishes to upgrade immediately to a Cliffs Golf Membership by paying at the Closing the add-on deposit of \$50,000.00.		\$ <u>0.00</u>
Total Membership Deposit To Be Paid at Closing:			\$ <u>50,000.00</u>

1. **Purchase Price Discounted for Membership.** The Club and Seller have, by special arrangements, agreed that if Purchaser wishes to acquire a membership, Seller will discount the price of the Property by \$25,000. Purchaser wishes to receive the discount and acquire a membership, electing a membership as below provided for either a Cliffs Golf Membership, or a Cliffs Family Membership, and agreeing to pay to the Club at the closing with Seller the required membership deposit. See the membership check boxes below and Paragraph 2 regarding membership privileges in the Clubs' facilities. In the event Purchaser fails to enter into this Club Membership Addendum, thereby declining to acquire a membership, no purchase price discount will be given in the sales transaction between Purchaser and Seller.

(a) **5-Year Vesting in Full Refundability.** The Club's Membership Plan provides that upon resignation from the Club, a resigned member is normally entitled to receive 100% of the initiation deposit paid to the Club. However, because Seller is agreeing to discount the price of the Property, then the \$25,000 discount that Purchaser will apply to the membership shall only be refunded to the Purchaser-member upon a resignation occurring more than five (5) years following the Property closing with Seller, or upon a resale closing within the five (5) -year vesting period only if the resale buyer acquires a Club Membership and pays the initiation deposit then required. Any initiation deposit paid by Purchaser in excess of the \$25,000 discount so applied to the Property will be fully refunded as provided in the Club's Membership Plan and without regard to any vesting

period; but, the \$25,000 discount applied to the Membership will only be refunded during the vesting period if the resale buyer acquires a Membership, and all refundable amounts will be paid solely in accordance with, and within the period required under, the Membership Plan.



Box #1. PURCHASER ELECTS TO RECEIVE A CLIFFS FAMILY MEMBERSHIP. THE DEPOSIT FOR A CLIFFS FAMILY MEMBERSHIP IS \$50,000. By checking this box and initialing below, Purchaser acknowledges that Purchaser has read Paragraph 2 below. Purchaser hereby understands that a Cliffs Family Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. \$25,000 of the deposit will be made at the Property closing as a result of Purchaser receiving a discount from Seller against the price of the Property in an equal amount. The remaining \$25,000 due for a Cliffs Family Membership represents Purchaser's election to receive a Family Membership, which Purchaser must acquire to receive the discount off the Property's price. The Purchaser must deliver the total \$50,000 membership deposit and complete the Club's required forms for a Cliffs Family Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the \$25,000 discount from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will pay the full deposit required if Purchaser elects after closing to acquire a Family Membership and one is made available by the Club. Purchaser will have no guarantee that a Cliffs Family Membership will be available to Purchaser in the future. Purchaser further understands that a Cliffs Family Membership is subject to availability and that there is no guarantee that a Cliffs Family Membership will be available if Purchaser delays membership acquisition and later wishes to acquire a membership.

Rma Imby TS as Attorney in Fact
For Purchaser



Box #2. PURCHASER ELECTS TO ACQUIRE A CLIFFS GOLF MEMBERSHIP. THE DEPOSIT FOR A CLIFFS GOLF MEMBERSHIP IS \$100,000.00. By checking this box and initialing below, Purchaser acknowledges that Purchaser has read Paragraph 2 below. Purchaser hereby understands that a Cliffs Golf Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. \$25,000 of the deposit will be made at the Property closing as a result of Purchaser receiving a discount from Seller against the price of the Property in an equal amount. The remaining \$75,000 due for a Cliffs Golf Membership represents Purchaser's election to receive a Golf Membership. The Purchaser must deliver the total \$100,000 membership deposit and complete the Club's required forms for a Cliffs Golf Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the \$25,000 discount from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will have no guarantee that a Cliffs Golf Membership will be available to Purchaser in the future. Pursuant to the membership Plan, the Purchaser may acquire a Golf Membership within 30 days of the property's Closing for the full amount of the deposit, but if Purchaser elects to do so, Purchaser will have forgone the Seller's discount at the Property's closing. Purchaser should remember that when Purchaser goes to sell the Property, the resale Purchaser is only guaranteed the ability to get a Cliffs Golf Membership if the Purchaser has one to resign back to the Club (and receive a refund of the initiation deposit) so the Club can immediately re-issue it to Purchaser's resale buyer at the resale closing (subject to Purchaser's resale buyer completing an application and paying the required membership deposit at the resale closing).

For Purchaser

2. **The Golf & Country Club.** Purchaser hereby acknowledges the plan of development for the Cliffs Community above identified includes, or may include, the operation of a commercial, private golf and country club facility within or in proximity to the boundaries of the Community. Purchaser further acknowledges that the Club's recreational facilities are owned by a related third party and operated by or in concert with its affiliate, The Cliffs Golf & Country Club, Inc., as a commercial business, and not as a non-profit enterprise, that Purchaser will have a license to use the facilities as herein described if Purchaser acquires a membership to do so, and that neither Purchaser nor any property owners' association of which Purchaser may be a member has or will receive any ownership interest in the Club's facilities by virtue of Purchaser's acquisition of the Property or membership in any such property owners' association. The Club may, but will not be required to, add additional recreational facilities in the future. The Club operates and offers membership.

opportunities pursuant to a published Membership Plan, which the Club may supplement, amend, delete and change in its sole discretion at any time. If Purchaser wishes to become a member, Purchaser should take the time to read the Membership Plan prior to acquiring a membership.

(a) **Golf Membership.** The ability to acquire permanent golf privileges is reserved to those who elect to acquire a Cliffs Golf Membership. Acquisition of a Cliffs Golf Membership is subject to availability at the time Purchaser may wish to acquire one, but Purchaser is guaranteed the availability of a Cliffs Golf Membership if the Purchaser's application and the required deposit of \$100,000 are received within thirty (30) days following the Property Closing. If the Purchaser wants its resale buyer of the Property in a resale transaction to be guaranteed the ability to acquire a Cliffs Golf Membership, following the Purchaser's membership resignation and the Club's re-issuance of the resigned membership to its resale buyer at the resale closing pursuant to the requirements of the Club's Membership Plan, the Purchaser must acquire the Cliffs Golf Membership. Please note however, because Purchaser is receiving a discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Golf Membership on or before the Property closing and may not wait the 30 days otherwise applicable. A total of \$100,000 (includes the \$25,000 Property discount) is due on or before the Property Closing. A Golf Membership is subject to availability at all times as determined by the Club. If Purchaser has elected to receive a Cliffs Golf Membership by checking Box #2 on page 2, then upon Purchaser making application and funding the required deposit on or before the Closing, Purchaser will be issued a Cliffs Golf Membership in the Club. Purchaser's monthly membership dues will commence with the issuance of the membership, and the monthly dues may change from time to time at the Club's sole discretion. The privileges of membership in the Club are dependent upon the facilities available and the rules and regulations adopted for their use, as the Club may modify the same from time to time.

(b) **Cliffs Family Membership.** If Purchaser has elected to receive a Cliffs Family Membership by checking Box #1 on page 2 of this Addendum, then upon making application and funding the required deposit at the Purchaser's Property closing with Seller, Purchaser will be issued a Cliffs Family Membership in the Club. Monthly membership dues will commence with the issuance of the membership to Purchaser, and the monthly dues may change from time to time at the Club's sole discretion. The privileges of membership in the Club are dependent upon the facilities available and the rules and regulations adopted for their use, as the Club may modify the same from time to time. Please note however, because Purchaser is receiving a discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Family Membership on or before the Property closing and may not wait until after the closing. A total of \$50,000 (\$25,000 from the Property discount) is due on or before the Property Closing.

(c) **Club's Membership Plan.** The governing documents of the Club require that upon resale of the Property, all of Purchaser's membership privileges in the Club must be resigned. When Purchaser sells the Property, and so long as Purchaser is a Club member in good standing, Purchaser will be entitled to a refund equal to one hundred percent (100%) of the initiation deposit made for membership in the Club, subject to vesting with regard to the \$25,000 discount granted, as provided in Paragraph 1(a) above. In addition, if the resale buyer of Purchaser's Property wishes a membership, he or she will have to acquire a membership directly from the Club at the then prevailing rates for the membership desired, and subject to availability and the rules and regulations of the Club. The membership deposit that Purchaser's resale buyer makes for the issuance of a membership may be more or less than the deposit Purchaser made. As previously indicated, a Cliffs Golf Membership is not guaranteed to be available to Purchaser's resale buyer if Purchaser does not acquire one at Purchaser's property closing pursuant to subparagraph (a) above.

3. **Effective Date.** This Addendum shall become effective the last date executed by a party to be bound hereby, and is subject to all other terms and conditions of the Agreement.

Purchaser:

Ronald J. Sampliner
as Attorney in Fact

5 20 06
Month Day Year

Seller:

Keowee Falls Investment Group, LLO

By: *Marty Sitch*

Its: TREASURER

05 00 06
Month Day Year

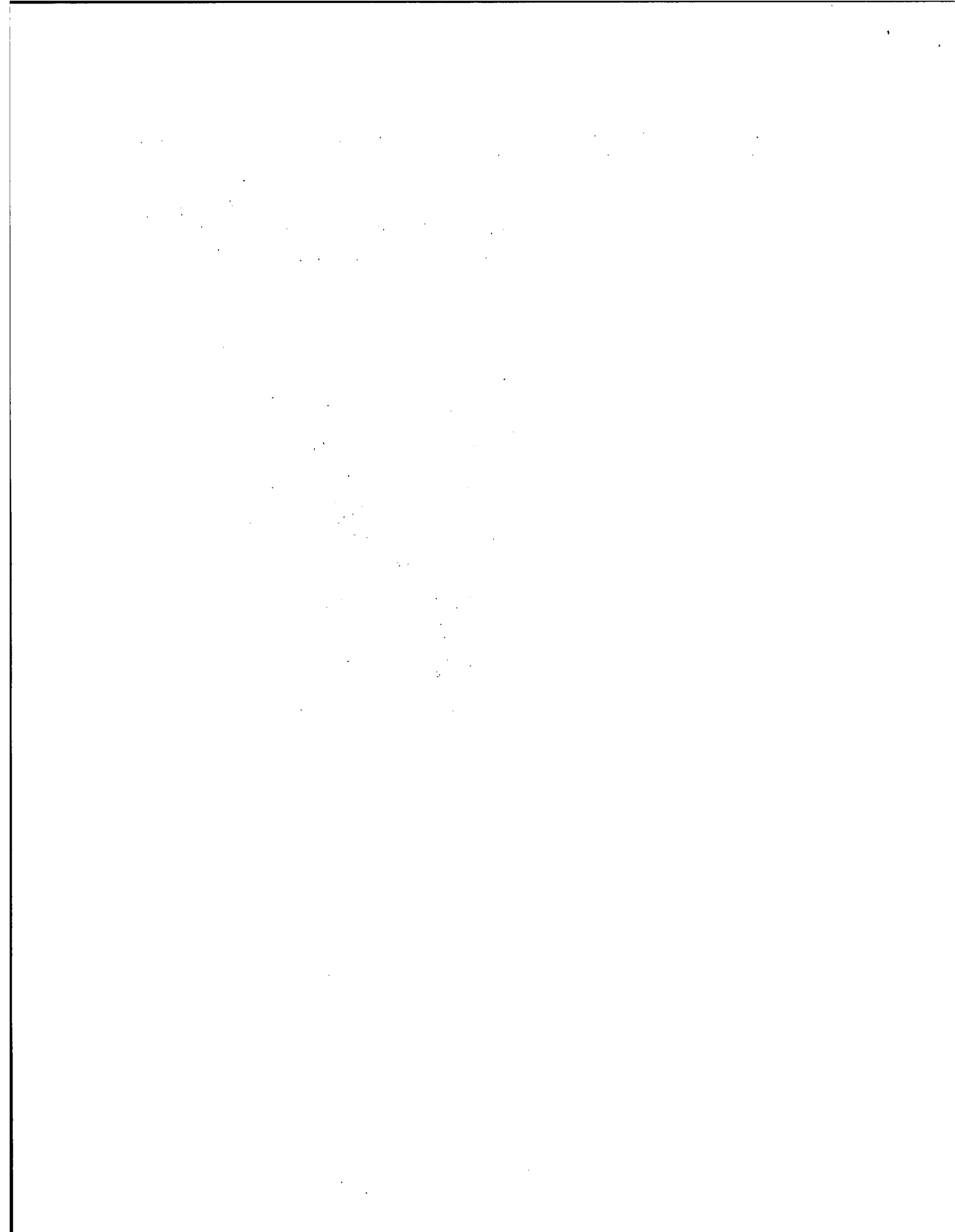
For The Cliffs Club:

The Cliffs Golf & Country Club, Inc.

By: *Marty Sitch*

Its: TREASURER

05 20 06
Month Day Year



Subject: RE: Membership Addendum
From: Magan Boggs (mboggs@cliffscommunities.com)
To:
Date: Wednesday, December 16, 2009 10:33 AM

You're very welcome, Mr. Martinez. I will resign your Family Membership effective today. You will receive a letter in the mail shortly confirming your resignation.

If you need anything further, please let me know. Happy holidays to you both!

Thanks,
Magan



Magan Boggs
Membership Services Assistant
864.371.1047 | office
864.371.1538 | fax
800.371.1000 | toll-free
mboggs@cliffscommunities.com
www.cliffscommunities.com

*"World's Best International Development 2007,"
CNBC International Property Awards*



Please consider the environment before printing this e-mail.

From: Rafael Martinez [mailto:..]
Sent: Wednesday, December 16, 2009 10:26 AM
To: Magan Boggs
Cc: Jeanne Martinez
Subject: Re: Membership Addendum

Dear Magan;

Thank you for your quick response.

Please consider this email as formal request to terminate our Family Membership at the Cliffs Communities. Therefore, we will no longer make payments toward our membership # M00467.

Please advise of next steps to refund our initial membership payment of \$25k.

Best regards,

Rafael & Jeanne Martinez

EXHIBIT "B"

Weston, FL

--- On Wed, 12/16/09, Magan Boggs <mboggs@cliffscommunities.com> wrote:

From: Magan Boggs <mboggs@cliffscommunities.com>

Subject: Membership Addendum

To:

Date: Wednesday, December 16, 2009, 9:37 AM

Mr. Martinez,

Please find your Club Membership Addendum attached. If you have any questions, please let me know.

Thanks,
Magan



Magan Boggs

Membership Services Assistant

864.371.1047 | office

864.371.1538 | fax

800.371.1000 | toll-free

mboggs@cliffscommunities.com

www.cliffscommunities.com

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CNBC International Property Awards*



Please consider the environment before printing this e-mail.



Jeanne Martinez

From: Ashley Blevins <ablevins@cliffscommunities.com>
Sent: Thursday, October 27, 2011 12:22 PM
To: Jeanne Martinez
Cc: Rafael Martinez
Subject: RE: Refund Status

Mr. and Mrs. Martinez,

I have gone back through past reports and there has been no movement in the last year. Unfortunately, the waiting list is tied to real estate and membership sales. With the real estate market being so stagnant, the movement is slow. I wish I had better news for you.

Feel free to keep checking in with me periodically on any changes.

Kind regards,
Ashley

From: Jeanne Martinez [mailto:]
Sent: Thursday, October 27, 2011 12:17 PM
To: Ashley Blevins
Cc: Rafael Martinez
Subject: RE: Refund Status

Thanks. Just so you know we resigned our member close to 2 years ago

Jeanne

From: Ashley Blevins [mailto:ablevins@cliffscommunities.com]
Sent: Thursday, October 27, 2011 12:18 PM
To: Jeanne Martinez
Cc: Rafael Martinez
Subject: RE: Refund Status

Allow me to go back through our records as I have only been in this department since July. I will get back with a confirmation shortly.

Thank you,
Ashley

From: Jeanne Martinez [mailto:]
Sent: Thursday, October 27, 2011 12:14 PM
To: Ashley Blevins
Cc: Rafael Martinez
Subject: RE: Refund Status

Hello Ashley –

Since this is the exact same info we were given previously, I just want to confirm that you're saying absolutely no memberships have been sold in the past year.

From: Ashley Blevins [<mailto:ablevins@cliffscommunities.com>]
Sent: Thursday, October 27, 2011 12:02 PM
To: Jeanne Martinez
Subject: Refund Status

Mr. Martinez,

You are currently in the 2nd position on the waiting list. We need to sell 8 more memberships before you receive your refund.

Please let me know if you need anything else.

Thank you,
Ashley



Ashley Blevins

Membership Services Coordinator
864.371.1047 | office
864.371.1414 | fax
800.371.1000 | toll-free
ablevins@cliffscommunities.com
www.cliffscommunities.com

*"World's Best International Development 2007,"
CNBC International Property Awards*



Please consider the environment before printing this e-mail.

Jeanne Martinez

From: Megan Runion <mrunion@cliffscommunities.com> on behalf of Accounts Receivable <ar@cliffscommunities.com>
Sent: Thursday, March 01, 2012 2:58 PM
To: Jeanne Martinez
Subject: RE: Bankruptcy Pre-Petition Dues Credits

Mrs. Martinez,

Thank you for your email. We will keep you updated on the progress of your return as soon as we emerge from Bankruptcy.

Thank you,
Megan



Megan Runion

Club Accounting
864.371.1077 | office
864.836.1214 | fax
800.371.1000 | toll-free
mrunion@cliffscommunities.com
www.cliffscommunities.com

*"World's Best International Development 2007,"
CNBC International Property Awards*



Please consider the environment before printing this e-mail.

From: Jeanne Martinez [<mailto:>]
Sent: Thursday, March 01, 2012 12:08 PM
To: Megan Runion
Subject: RE: Bankruptcy Pre-Petition Dues Credits

Thank you Megan. Since the \$25,000 refund has been due for over 2 years and the last time we checked (October, 2011), we were next in line to be paid, we would be very interested in hearing how the Cliffs will make this right for us.

Jeanne

Jeanne Martinez

From: Megan Runion [<mailto:mrunion@cliffscommunities.com>]
Sent: Thursday, March 01, 2012 12:00 PM
To: Jeanne Martinez
Subject: Bankruptcy Pre-Petition Dues Credits

EXHIBIT "D"

The Cliffs Club & Hospitality Service Company
P.O. Box 1279
Travelers Rest, SC 29690

Mar 1, 2012

Mr. Rafael Martinez
1119 Fairfield Meadows
Weston, FL 33327

Dear Mr. Martinez:

As a result of the ClubCo bankruptcy filing on February 28, 2012, we are precluded by the Federal Bankruptcy Code from honoring certain Dues Credits at this time. Under the bankruptcy code these credits are considered pre-petition liabilities and cannot be used to offset charges occurring after the bankruptcy filing date.

Your member account has been identified as one having such credits. If you were receiving a monthly dues credit, effective with the February statement, billing March dues, we will no longer be able to post an offsetting credit. If your account had a dues credit that had not yet been used, it will be set aside as a pre-petition liability. The status of the credits will be addressed in the plan of reorganization.

We trust you understand our position and apologize for the inconvenience.

Sincerely,

Club Management

March 26, 2012

BMC Group, Inc.
Attn: The Cliffs Club & Hospitality Group, Inc., et al, Claims Processing
PO Box 3020
Chanhassen, MN 55317-3020

Re: United States Bankruptcy Court, District of South Carolina, Case No 12-01229

Dear Sir/Madam:

Enclosed please find two copies of our proof of claim in the above referenced case. Also enclosed is a stamped self addressed envelope as we wish to receive an acknowledgement of the filing of this claim.

Thank you in advance for your assistance in this matter.

A handwritten signature in black ink, appearing to read "Jeanne Martinez", with a large, stylized initial "J" and a long, sweeping underline.

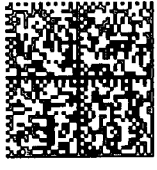
Jeanne Martinez

Enclosures

artinez
ows Dr

F

U.S. POSTAGE
\$2.10
FCM LG ENV
33326
Date of sale
03/26/12
02 1P00
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USPS® FIRST-CLASS MAIL

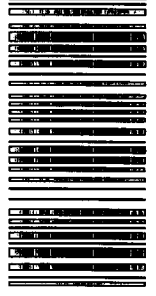
0 lb. 6.20 oz

SHIP
TO:

RECEIVED
MAR 29 2012
BMC GROUP

BMC Group, Inc.
Attn: The Cliffs Club & Hospitality
Group, Inc., et al, Claims Processing
PO Box 3020
Chanhassen, MN 55317-3020

CHANHASSEN MN 55317-3020



ZIP

(420) 55317-3020