

UNITED STATES BANKRUPTCY COURT

PROOF OF CLAIM

Name of Debtor:

Cliffs at Glassy

Case Number:

12-01234

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):

Ronald Sheaffer

COURT USE ONLY

Name and address where notices should be sent:

Ronald Sheaffer
17709 Bridlewood Court
Parrish, FL 34219

Telephone number:

941-776-8742

email:

r.baldrige@aol.com

Check this box if this claim amends a previously filed claim.

Court Claim Number: _____
(If known)

Filed on: _____

Name and address where payment should be sent (if different from above):

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:

email:

RECEIVED

1. Amount of Claim as of Date Case Filed: \$25,000.00

If all or part of the claim is secured, complete item 4.

APR 19 2012

If all or part of the claim is entitled to priority, complete item 5.

BMC GROUP

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: Golf Membership Initiation & Deposit
(See instruction #2)

3. Last four digits of any number by which creditor identifies debtor:

500501 Member Number

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: Real Estate Motor Vehicle Other Describe:

Basis for perfection: _____

Value of Property: \$ _____

Amount of Secured Claim: \$ _____

Annual Interest Rate _____ % Fixed or 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.

Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).

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).

Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).

Amount entitled to priority:

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).

Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).

Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(____).

\$ _____



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

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: Ronald Sheaffer
 Title: _____
 Company: _____
 Address and telephone number (if different from notice address above):
17709 Bridlewood Court
Pacish Fl
34219
 Telephone number: 941-776-8742 email: rbdridge@aol.com

Ronald Sheaffer
 (Signature)

4-16-12
 (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:

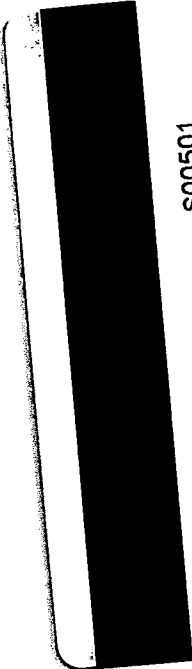
An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

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.



S00501

Ronald Sheaffer

This card remains the property of The Cliffs Clubs and the privilege of its use may be withdrawn at any time.

This card may be used for purchase of merchandise and services of The Cliffs Clubs. To use the Membership Card, the holder must be a Member of The Cliffs Golf and Country Clubs. This card is non-transferable and non-negotiable, and is solely intended for use by the above-named recipient.

For general information or to report a lost or stolen card, please call 1-800-866-1160.



**THE CLIFFS GOLF AND COUNTRY CLUB, INC.
GLASSY FULL GOLF MEMBERSHIP ENROLLMENT FORM**

This is to certify that **Ronald and Patricia Sheaffer** have made application for membership in the Glassy Golf and Country Club. The membership classification applied for is **Glassy Full Golf** membership. It is acknowledged that the applicant will submit a payment of **One hundred thousand dollars (\$100,000.00)**. The following is the scheduled due dates and amounts of future payments:

**Per terms of Real Estate Purchase Agreement &
Membership Finance Addendum**

By signing this form, the Member(s) acknowledges, as a matter of record, the type of Membership classification, and its privileges, and the refund value of initiation deposit paid in the event of resignation or transfer of membership. Furthermore, the Member(s) has received a copy of the Clubs Master Membership Plan, rules and regulations, and has an understanding of the same.

MEMBERSHIP CLASSIFICATION:	Glassy Full Golf
MEMBERSHIP ACCOUNT NUMBER:	\$501
INITIATION DEPOSIT PAID:	\$100,000.00
PROPERTY REFERENCE:	Section <u>1</u> Lot <u>125</u>

4-26-06
Date

4-30-06
Date

Nate Weyand
Nate Weyand
Membership Director
The Cliffs Golf & Country Clubs

Ronald Sheaffer
Member Signature
Patricia A. Sheaffer
Member Signature

**THE CLIFFS GOLF AND COUNTRY CLUB, INC
MEMBERSHIP AGREEMENT**

I have received and reviewed official club documents, specifically The Cliffs and Country Club, Inc. constitution and by-laws, rules and regulations outlining the Cliffs Membership Program. I agree to participate and become enrolled as a member of The Cliffs Golf and Country Club, Inc., which is managed and operated by The Cliffs Golf and Country Club, Inc. and agree to pay the applicable membership fees in the amount(s) indicated below:

	<u>Membership Classification</u>	<u>Membership Fees</u>
	Glassy Family	\$ _____
X	Glassy Full Golf	\$100,000.00

My rights and privileges as a member shall be governed by the plan documents and the club's by-laws, rules and regulations. Membership in the club does not convey any ownership, stock or equity certificate or other rights of ownership. As a member, I cannot be assessed as a matter of contract with the Club, and I assume no liability whatsoever in connection with the membership other than the payment of an applicable membership fee, dues and charges incurred by myself, my family and guests.

The Club reserves the right to set membership classification limitations. The Club has the plenary power to modify classes of memberships, their definitions, privileges, requirements and availability.

I shall be bound by the terms and conditions of the plan documents, as they may be amended from time to time in accordance with their terms and this membership purchase agreement.

I agree to pay the dues, fees and charges applicable to my membership classification(s) set forth by the club ownership, as it may be amended from time to time.

I hereby agree to release and discharge the Club, its ownership, affiliates, employees and agents from any and all claims and causes of actions that I may have against any of them regarding the Club membership program and facilities, except claims and causes of action arising from misrepresentations or omissions in the club documents.

4-26-06
Date

Nate Weyand
Nate Weyand
Membership Director
The Cliffs Golf and Country Clubs

4-30-06
Date

Ronald Sheffer
Member Signature
Patricia A. Sheffer
Member Signature



March 5, 2009

Mr. Ron Sheaffer
31 North Four Bridges Road
Long Valley, NJ 07853

Dear Mr. Sheaffer,

We are writing at this time to confirm acknowledgement of your Glassy Golf Membership resignation in conjunction with Section 1, Lot 125. Your resignation is effective with the receipt of your written resignation notice and will be effective February 23, 2009. The lot reference mentioned above will now hold a Glassy Family Membership.

Your refund will be processed in accordance with the refund policies and procedures as outlined in the Master Membership Plan. If you need a copy of this document, please let us know. In summary, the refund is processed as follows:

- Your Glassy Golf Membership refund of \$25,000 is placed in a priority waiting list based on the classification and location of your membership. The Master Membership Plan outlines the refund procedure and explains that such refund will be paid within a reasonable period of time following such re-issuance of the original membership, consistent with the Cliffs Clubs processing of accounts payable, and will be processed only on the basis of one (1) refund for every five (5) memberships issued by the Club from its previously unissued memberships within the same classification as the original membership.

It is important to mention that the Club bylaws do not provide for this resigned membership to be reactivated in the future. Specifically, Section 20 (1) states, "A Member that voluntarily resigns his/her membership may not reactivate the resigned membership in order to have the membership available to the resale purchaser of the resigned Member's property." Please consider this bylaw as it may impact you going forward.

If you have any questions regarding the procedures as outlined above or the restriction on availability of a Golf Membership for your resale buyer, please call the Membership Office at 864-660-1160.

Kind regards,

Laura Hobbs
Membership Sales Executive

The Cliffs
Membership Office
100 Country Hill, Suite 100, Great Smoky Mountains National Park
P.O. Box 1160
Chattanooga, TN 37415

Magan Boggs

From: Rbaldrige@aol.com
Sent: Monday, February 23, 2009 2:48 PM
To: Magan Boggs
Subject: Membership Downgrade

Hi Megan

This note is to request a membership downgrade from Golf to a Family Membership. Please make it effective beginning March 01, 2009.

SS 501
Lot 125 Section 4

Could you please let me know that you received my request and that it is accepted.

Kind regards,
Ron Sheaffer.

A Good Credit Score is 700 or Above. See yours in just 2 easy steps!

2/24/2009

Mr. Anthony Gaeta

July 23, 2009

Page 2

The voluntary resignation refund process must be followed to uphold the integrity of the Membership Plan. I am enclosing a copy of the Membership Agreement and Membership Enrollment Form originally executed by the Sheaffers on April 30, 2006 wherein they "acknowledge, as a matter of record, the type of Membership classification, and its privileges, and the refund value of initiation deposit paid in the event of resignation or transfer of membership. Furthermore, the Member(s) has received a copy of the Clubs Master Membership Plan, rules and regulations, and has an understanding of the same."

Based on the above, The Cliffs respectfully declines your request to return the Sheaffers' membership initiation payment at this time. Please let me know if you have any further questions regarding these matters.

Kindest Regards,

Rivers S. Stilwell

RSS:sz

Enclosures

Nelson Mullins

Nelson Mullins Riley & Scarborough LLP
Attorneys and Counselors at Law
104 South Main Street / Ninth Floor / Greenville, SC 29601
Tel: 864.250.2300 Fax: 864.250.2284
www.nelsonmullins.com

Rivers S. Stilwell
Tel: 864.250.2217
Fax: 864.250.2284
rivers.stilwell@nelsonmullins.com

July 23, 2009

Mr. Anthony Gaeta
Levine DeSantis, LLC
150 Essex Street, Suite 303
Millburn, NJ 07041

RE: Sheaffer v. The Cliffs Golf & Country Clubs, Inc.

Dear Mr. Gaeta,

I have been asked to respond to your June 29, 2009, letter to Jim Anthony regarding the Sheaffers' questions on the timing of their membership initiation deposit refund.

In reviewing their member file, I have discovered the following facts. Ron and Pat Sheaffer purchased Section 1, Lot 125 at The Cliffs at Glassy in May, 2006. Upon purchasing property, they also elected to acquire a Golf Membership with The Cliffs Golf & Country Clubs at The Cliffs at Glassy. The membership initiation deposit at the time they joined the Club was \$100,000. The Club received a payment of \$50,000 at the time of the property closing and accepted a Promissory Note for the balance of \$50,000. At the time of the Sheaffers' election to downgrade their membership category to a Family Membership, they had submitted one payment towards the Promissory Note in the amount of \$25,000. At their request to voluntarily resign the Golf Membership on February 23, 2009, and downgrade to a Family Membership, the Club retained the initiation deposit for the Family Membership (\$50,000). The remaining \$25,000 was placed in a priority waiting list for a refund as outlined in the voluntary resignation letter dated March 5, 2009, enclosed for your reference.

The Club's Master Membership Plan outlines the procedure for a voluntary resignation refund to come due. Section 20 of the Plan provides for a priority waiting list to be established for each membership classification. Refunds are issued first-resigned, first-refunded and processed only on the basis of one (1) refund for every five (5) memberships issued by the Club from its previously unissued memberships within the same classification as the resigned membership. The Club recently made the decision to amend this section of the Plan and will now require only three (3) memberships issued prior to one (1) refund coming due. The upcoming revision of the Plan will reflect this change for the Glassy and Valley clubs only.



March 5, 2009

Mr. Ron Sheaffer
31 North Four Bridges Road
Long Valley, NJ 07853

Dear Mr. Sheaffer,

We are writing at this time to confirm acknowledgement of your Glassy Golf Membership resignation in conjunction with Section 1, Lot 125. Your resignation is effective with the receipt of your written resignation notice and will be effective February 23, 2009. The lot reference mentioned above will now hold a Glassy Family Membership.

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Kind regards,

Laura Hobbs
Laura Hobbs
Membership Sales Executive

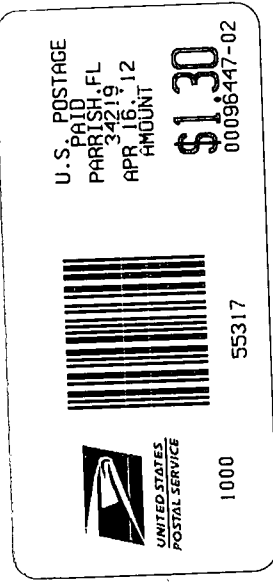
mboggs@cliffscommunities.com

8-12-09 called membership office left a message for Megan Boggs at 11:15

The Cliffs Golf and Country Clubs
Membership Office
3598 Highway 11, Travelers Rest, South Carolina 29690
(864) 660-1100
www.cliffscommunities.com

Mr. & Mrs. R. Sheaffer
17709 Bridlewood Ct.
Parrish, FL 34219-5075

RECEIVED
APR 19 2012
BMC GROUP



BMC Group Inc.
Attn: Cliffs Claims Processing
P.O. Box 3020
Chanhassen, Mn.
55317-3020