

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH CAROLINA

PROOF OF CLAIM



Your Claim is Scheduled As Follows:

Schedule/Claim ID: s12846

AMOUNT/CLASSIFICATION:

\$50,000.00 UNSECURED  
(CONTINGENT)

The amounts reflected above constitute your claim as scheduled by the Debtor or pursuant to a filed claim. If you agree with the amounts set forth herein, and have no other claim against the Debtor, you do not need to file this proof of claim EXCEPT as stated below.

If the amounts shown above are listed as Contingent, Unliquidated or Disputed, a proof of claim must be filed except as provided in the accompanying bar date notice.

If you have already filed a proof of claim with the Bankruptcy Court or BMC, you do not need to file again.

THIS SPACE IS FOR COURT USE ONLY

Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number (if known):

Filed on:

Name of Debtor:

The Cliffs Valley Golf & Country Club, LLC

Case Number:

12-01236

NOTE: See reverse and attached for List of Debtors/Case Numbers/important details. Other than claims under 11 U.S.C. § 503(b)(9), this form should not be used to make a claim for Administrative Expenses arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503(a).

Name of Creditor (the person or other entity to whom the debtor owes money or property):

Bruce H. Gailes + Genevieve C. Gailes

Name and address where notices should be sent:

29347866003491  
Gailes, Bruce  
559 Country Club Drive  
Stockbridge, GA 30281

RECEIVED

MAY 02 2012

BMC GROUP

Creditor Telephone Number: 270-506-9648

email: galebga@bellsouth.net

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

Same as Above

Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Payment Telephone Number ( ) email:

1. AMOUNT OF CLAIM AS OF DATE CASE FILED \$ 50,000.00

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

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

Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

2. BASIS FOR CLAIM: Cliffs Valley A membership - see Attached  
(See instruction #2)

3. LAST FOUR DIGITS OF ANY NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR: 2846

3a. Debtor may have scheduled account as:

N/A

(See instruction #3a)

3b. Uniform Claim Identifier (optional):

N/A

(See instruction #3b)

4. SECURED CLAIM: (See instruction #4)

Check the appropriate box if your claim is secured by a lien on property or a right of set off, attach required redacted documents, and provide the requested information.

Nature of property or right of setoff: Describe: N/A

Real Estate  Motor Vehicle  Other

Value of Property: \$

Annual Interest Rate: %  Fixed or  Variable (when case was filed)

Amount of arrearage and other charges, as of time case filed, included in secured claim, if any: \$ N/A

Basis for Perfection:

Amount of Secured Claim: \$

Amount Unsecured: \$

5. Amount of Claim Entitled to Administrative Expense status under 11 U.S.C. § 503(b)(9) or 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 administrative expense or priority and state the amount.

Amount entitled to priority: \$ N/A

Amount entitled to administrative expense under 11 U.S.C. § 503(b)(9): \$ N/A

You MUST specify the priority of the claim:

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

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).

Wages, salaries, or commissions (up to \$11,725\*), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4).

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

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

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

Value of goods received by the debtor within 20 days before the date of the bankruptcy filing - 11 U.S.C. § 503(b)(9).

\* 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 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 definition of "redacted").  
**DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.**  
 If the documents are not available, please explain:

**DATE-STAMPED COPY:** To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES OR EMAIL NOT ACCEPTED) so that it is actually received on or before 4:00 pm prevailing Eastern Time on May 31, 2012 for Non-Governmental Claimants OR on or before 4:00 pm prevailing Eastern Time on August 27, 2012 for Governmental Claimants.

BY MAIL TO:  
 \* BMC Group, Inc  
 Attn: Cliffs Claims Processing  
 PO Box 3020  
 Chanhassen, MN 55317-3020

BY MESSENGER OR OVERNIGHT DELIVERY TO:  
 \* BMC Group, Inc  
 Attn: Cliffs Claims Processing  
 18675 Lake Drive East  
 Chanhassen, MN 55317

**8. SIGNATURE:** (See instruction #8)

Check the appropriate box.

- I am the creditor.       I am the creditor's authorized agent. (Attach copy of power of attorney, if any.)       I am the trustee, or the debtor, or their authorized agent. (See Bankruptcy Rule 3004.)       I am a guarantor, surety, indorser, or other codebtor. (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: Bruce L. Gailes  
 Title: \_\_\_\_\_  
 Company: \_\_\_\_\_

Bruce L. Gailes 4-30-2012  
 (Signature) (Date)

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

Telephone number: \_\_\_\_\_ email: \_\_\_\_\_

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.

**LIST OF DEBTORS:**

Case Name	Case Nbr
The Cliffs Club & Hospitality Group, Inc.	12-01220
CCHG Holdings, Inc.	12-01223
The Cliffs at Mountain Park Golf & Country Club, LLC	12-01225
The Cliffs at Keowee Vineyards Golf & Country Club, LLC	12-01226
The Cliffs at Walnut Cove Golf & Country Club, LLC	12-01227
The Cliffs at Keowee Falls Golf & Country Club, LLC	12-01229
The Cliffs at Keowee Springs Golf & Country Club, LLC	12-01230
The Cliffs at High Carolina Golf & Country Club, LLC	12-01231
The Cliffs at Glassy Golf & Country Club, LLC	12-01234
*The Cliffs Valley Golf & Country Club, LLC	12-01236*
Cliffs Club & Hospitality Service Company, LLC	12-01237

A. U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT  
SETTLEMENT STATEMENT

B. TYPE OF LOAN  
1  FHA 2  FmHA 3  CONV. UNINS. 4  VA 5  CONV. INS.  
6. FILE NUMBER R02/435 7. LOAN NUMBER  
8. MORTGAGE INS CASE NUMBER

C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "FOC" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. NAME AND ADDRESS OF BUYER: Bruce L. Gales and GeRene C. Gales, 508 Glen Hollow Road, Travelers Rest, SC 29690  
E. NAME AND ADDRESS OF SELLER: Christopher Lynn Holland and Tiffiney Paulette Holland, 40 Vernon Glen Court, Dunwoody, GA 30338  
F. NAME AND ADDRESS OF LENDER

G. PROPERTY LOCATION: Lot 25, Sec. B, Cliffs Valley, Travelers Rest, SC 29690, Greenville County, South Carolina  
H. SETTLEMENT AGENT: 56-2214022, The Heckman Law Firm, PA  
I. SETTLEMENT DATE: July 22, 2002  
PLACE OF SETTLEMENT: 409 Pettigru Street, Greenville, SC 29601

J. SUMMARY OF BUYER'S TRANSACTION      K. SUMMARY OF SELLER'S TRANSACTION

Table with 4 columns: Item #, Description, Buyer Amount, Seller Amount. Rows include 100. GROSS AMOUNT DUE FROM BUYER (99,500.00), 101. Contract Sales Price, 102. Personal Property, 103. Settlement Charges to Buyer (816.50), 104. Valley A Membership to Cliffs Golf and Country (40,000.00), 105. Valley Social Athletic to Cliffs Golf and Country (10,000.00), 106. City/Town Taxes, 107. County Taxes, 108. Assessments, 109. POA Dues Prorated 07/23/02 to 01/01/03 (288.49), 110-112, 120. GROSS AMOUNT DUE FROM BUYER (150,604.99).

Table with 4 columns: Item #, Description, Buyer Amount, Seller Amount. Rows include 200. AMOUNTS PAID BY OR IN BEHALF OF BUYER (201. Deposit or earnest money 1,500.00), 202. Principal Amount of New Loan(s), 203. Existing loan(s) taken subject to, 204-209, 220. TOTAL PAID BY/FOR BUYER (1,832.43).

Table with 4 columns: Item #, Description, Buyer Amount, Seller Amount. Rows include 300. CASH AT SETTLEMENT FROM/TO BUYER (301. Gross Amount Due From Buyer (Line 120) 150,604.99), 302. Less Amount Paid By/For Buyer (Line 220) (1,832.43), 303. CASH ( X FROM ) ( TO ) BUYER (148,772.56).

Table with 4 columns: Item #, Description, Buyer Amount, Seller Amount. Rows include 400. GROSS AMOUNT DUE TO SELLER (401. Contract Sales Price 99,500.00), 402. Personal Property, 403, 404, 405, 406. City/Town Taxes, 407. County Taxes, 408. Assessments, 409. POA Dues Prorated 07/23/02 to 01/01/03 (288.49), 410-412, 420. GROSS AMOUNT DUE TO SELLER (99,788.49).

The undersigned hereby acknowledge receipt of a completed copy of pages 1 & 2 of this statement & any attachments referred to herein.  
Buyer: Bruce L. Gales, GeRene C. Gales  
Seller: Christopher Lynn Holland, Tiffiney Paulette Holland

**L. SETTLEMENT CHARGES**

700. TOTAL COMMISSION Based on Price \$ 99,500.00 @ 12.0000 % 11,940.00			PAID FROM BUYERS FUNDS AT SETTLEMENT	PAID FROM SELLERS FUNDS AT SETTLEMENT
Division of Commission (line 700) as Follows:				
701.	\$11,940.00	to Cliffs Real Estate, Inc.		
702.	\$	to		
703.	Commission Paid at Settlement			11,940.00
704.		to		
<b>800. ITEMS PAYABLE IN CONNECTION WITH LOAN</b>				
801.	Loan Origination Fee 1.0000 %	to		
802.	Loan Discount %	to		
803.	Appraisal Fee	to		
804.	Credit Report	to		
805.	Lender's Inspection Fee	to		
806.	Mortgage Ins. App. Fee	to		
807.	Assumption Fee	to		
808.				
809.				
810.				
811.				
<b>900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE</b>				
901.	Interest From	to @ \$ /day ( days %)		
902.	MIP Totals for Life/Loan	months		
903.	Hazard Insurance Premium	1.0 years		
904.				
905.				
<b>1000. RESERVES DEPOSITED WITH LENDER</b>				
1001.	Hazard Insurance	months @ \$ per month		
1002.	Mortgage Insurance	months @ \$ per month		
1003.	City/Town Taxes	months @ \$ per month		
1004.	County Taxes	months @ \$ per month		
1005.	Assessments	months @ \$ per month		
1006.		months @ \$ per month		
1007.		months @ \$ per month		
1008.		months @ \$ per month		
<b>1100. TITLE CHARGES</b>				
1101.	Settlement or Closing Fee	to		
1102.	Abstract or Title Search	to Upstate Title Agency	156.50	
1103.	Title Examination	to		
1104.	Title Insurance Binder	to Commonwealth Land Title Insurance	75.00	
1105.	Document Preparation	to The Heckman Law Firm, PA		175.00
1106.	Notary Fees	to		
1107.	Attorney's Fees	to The Heckman Law Firm, PA	250.00	
	(includes above item numbers: )			
1108.	Title Insurance	to Commonwealth Land Title Insurance Company	275.00	
	(includes above item numbers: )			
1109.	Lender's Coverage	\$		
1110.	Owner's Coverage	\$ 99,500.00	275.00	
1111.				
1112.				
1113.				
<b>1200. GOVERNMENT RECORDING AND TRANSFER CHARGES</b>				
1201.	Recording Fees: Deed \$ 10.00; Mortgage \$ ; Releases \$ 10.00		10.00	10.00
1202.	City/County Tax/Stamps/Deed ; Mortgage			
1203.	State Tax/Stamps: Doc Stamp Tax 368.15; Mortgage			368.15
1204.				
1205.				
<b>1300. ADDITIONAL SETTLEMENT CHARGES</b>				
1301.	Survey	to PLS, Inc.		
1302.	Pest Inspection	to		
1303.	Express Mail	to Federal Express Services		60.00
1304.	Courier Copies Fax LD	to The Heckman Law Firm, PA	50.00	
1305.	Golf Dues	to Cliffs Golf and Country Club		107.42
1400.	<b>TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)</b>		<b>816.50</b>	<b>12,660.57</b>

By signing page 1 of this statement, the signatories acknowledge receipt of a completed copy of page 2 of this two page statement.

Certified to be a true copy.

John H. Heckman, III  
Settlement Agent



COPY

January 7, 2012

Mr. Bruce Gailes  
559 Country Club Drive  
Stockbridge, GA 30281

Dear Mr. Gailes:

I have recently assumed the responsibility for the membership office at the Cliffs. Nate accepted a new job offer and is no longer with the company.

I found your letter of December 19, 2011 in which you inquired about your Initiation Deposit refund. The records indicate that you are #40 in line for a refund of your Initiation deposit of \$50,000. The first person in that line resigned their membership roughly two years before you resigned. As you may know, the pace of the refunds for Valley Memberships is one refund for every three memberships sold.

I do not know with any certainty when you will receive your refund. The pace of those refunds depend entirely on the membership transactions that we experience and as I am sure you know, the real estate sales market has been extremely slow. I wish I could give you a more concrete answer but to do so would be speculative.

I am happy to speak with you more regarding the matter if you should wish.

I wish you a Happy New Year for you and yours.

Best regards,

**Geoffrey Carey**  
Executive Vice President  
The Cliffs Clubs & Hospitality Group  
864.371.1019 | office

The Cliffs Club & Hospitality Group, Inc.  
3598 Highway 11  
Travelers Rest, SC 29690  
864.371.1000

559 Country Club Drive  
Stockbridge, GA 30281

BMC GROUP, INC.  
ATTN: CLIFFS CLAIMS PROCESSING  
18675 LAKE DRIVE EAST  
CHANHASSEN, MN 55317

Please Push To Addressee

home or office at usps.com/pickup

Print postage online - Go to usps.com/postageonline

PLEASE PRESS FIRMLY

PLEASE PR

ENVELOPE  
POSTAGE REQUIRED.



UNITED STATES POSTAL SERVICE

Flat Rate  
Mailing Envelope  
For Domestic and International Use  
Visit us at usps.com



1007

U.S. POSTAGE  
PAID  
STOCKBRIDGE, GA  
30281  
MAY 01 12  
AMOUNT  
\$18.95  
00044058-11

When used internationally  
affix customs declarations  
(PS Form 2976, or 2976A).

Place Mailing Label Here:



UNITED STATES POSTAL SERVICE® Post Office To Addressee

Mailing Label  
Label 11-B, March 2004

W/C

PRESS HARD. YOU ARE MAKING 3 COPIES.

ORIGIN (POSTAL SERVICE USE ONLY)

PO ZIP Code	30281	Day of Delivery	<input type="checkbox"/> 1st Day <input type="checkbox"/> 2nd Day <input type="checkbox"/> 2nd Del Day	Postage	\$ 18.95
Date Accepted	5/1/12	Scheduled Date of Delivery	Mo. 5 Day	Return Receipt Fee	\$
Mo. Day Year		Scheduled Time of Delivery	<input type="checkbox"/> Noon <input type="checkbox"/> PM	COD Fee	\$
Time Accepted	2:11 PM	Military	<input type="checkbox"/> 2nd Day <input type="checkbox"/> 3rd Day	Insurance Fee	\$
Flat Rate or Weight	2.17 lbs.	Intl Alpha Country Code		Total Postage & Fees	\$ 18.95
		Acceptance Initials			

DELIVERY (POSTAL SERVICE USE ONLY)

Delivery Attempt	Time	Employee Signature
Mo. Day	<input type="checkbox"/> AM <input type="checkbox"/> PM	
Delivery Attempt	Time	Employee Signature
Mo. Day	<input type="checkbox"/> AM <input type="checkbox"/> PM	
Delivery Date	Time	Employee Signature
Mo. Day	<input type="checkbox"/> AM <input type="checkbox"/> PM	

CUSTOMER USE ONLY

WAIVER OF SIGNATURE (Domestic Mail Only)  
Additional merchandise insurance is void if customer requests waiver of signature.  
In each message or addresser's agent (if delivery employee authorized that delivery employee's signature constitutes valid proof of delivery.

Federal Agency Acct. No. or Postal Service Acct. No.

FROM: (PLEASE PRINT) PHONE:

BRUCE GAILES  
559 Country Club  
Stockbridge, GA  
30281  
BMC GROUP

TO: (PLEASE PRINT) PHONE:

BMC GROUP, INC.  
P.O. Box 111  
Cliffs Chimes Pkce.  
8675 LAKE DR. EAST  
CHATHAM, GA 30281



USPS packaging products have been awarded Cradle to Cradle Certification® for their ecologically-intelligent design. For more information go to [mbdc.com/usps](http://mbdc.com/usps)  
Cradle to Cradle Certified™ is a certification mark of AACOC.  
see recycle.

FOR PICKUP OR TRACKING

FOR INTERNATIONAL DESTINATIONS, WRITE COUNTRY NAME BELOW.

5	5	3	1	7	+				
---	---	---	---	---	---	--	--	--	--

