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| UNITED STATES BANKRUPTCY COURT DISTRICT OF SOUTH CAROLINA | PROOF OF CLAIM | |
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| Name of Debtor: The Cliffs Valley Golf & Country Club, LLC | Case Number: 12-01236 |
|--|---------------------------------|

Your Claim is Scheduled As Follows:
 Schedule/Claim ID: s12567
AMOUNT/CLASSIFICATION:
 \$12,500.00 UNSECURED
 (CONTINGENT)

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).

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| Name of Creditor (the person or other entity to whom the debtor owes money or property) : <u>Jerry Hotujac</u> | |
| Name and address where notices should be sent: 29347866000299 Hotujac, Jerry 1398 Twain Court Troy, MI 48083 | |
| RECEIVED MAY 07 2012 BMC GROUP | |
| Creditor Telephone Number <u>(414) 689-6914</u> email: <u>ahotujac@att.net</u> | |

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.

| | |
|--|--|
| Name and address where payment should be sent (if different from above): Payment Telephone Number () email: | <input type="checkbox"/> 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. |
|--|--|

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: _____

1. AMOUNT OF CLAIM AS OF DATE CASE FILED \$ 80,000

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: Refundable Membership Deposit
 (See instruction #2)

| | | |
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| 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 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:
 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: \$ _____

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: \$ _____ | Amount entitled to administrative expense under 11 U.S.C. § 503(b)(9): \$ _____ |
|---------------------------------------|---|

You MUST specify the priority of the claim:

| | |
|---|--|
| <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input 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"/> 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). | <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) (____). <input type="checkbox"/> 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

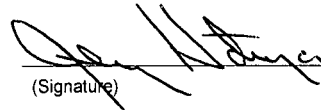
8. SIGNATURE: (See instruction #8)

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: Jerry Hotujac
Title: _____
Company: _____


(Signature)

5-4-12
(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 |

within thirty (30) days of the date of delinquent notification and billing, the Cliffs Clubs reserves the right to continue temporary suspension until the delinquent Club account is settled, and paid in full. Continued delinquency for a period of forty-five (45) days from the date of billing may result in formal expulsion, or termination of the membership. This process is at the sole discretion and authority of the Cliffs Clubs management. The Cliffs Clubs reserves the right to take whatever action it deems necessary to collect in full the amount owed on delinquent Members' accounts. If the Cliffs Clubs engages an attorney to collect a past-due Club account, the delinquent Member will be liable for all attorney costs and expenses incurred in pursuing collection, including, but not limited to, costs and expenses of non-judicial processes, as well as court fees and costs through all appeal levels. If payment of the delinquent account is received in full prior to the official termination of the Membership, the Member may be reinstated as a Member in good standing. The payment of a reinstatement fee as determined by the Cliffs Clubs may be due at that time.

TRANSFER, CHANGE OF MEMBER DESIGNEE, RESIGNATION OR REVOCATION OF MEMBERSHIP

17. Transfers Prohibited: Membership Resignation Only - A Member may not transfer his/her membership to any person, including a purchaser of the Member's Cliffs property in a resale transaction. Such prohibited transfer includes a prohibition upon any sale, pledge, hypothecation, assignment, transfer or encumbrance of a membership except in accordance with this Membership Plan. A Cliffs Charter or Cliffs Golf Member (previously known as "A" or Full Golf Memberships) may resign the membership and the Cliffs Clubs may reissue the membership as a Cliffs Golf Membership in accordance with the following provisions:

A. Upon the sale of the Member's Cliffs property in a resale transaction, a Cliffs Charter or Cliffs Golf Member may resign the membership and the Cliffs Clubs may reissue the membership as a Cliffs Golf Membership to the resale purchaser at the closing of said property. The resale purchaser must first, however, apply and be approved for membership.

B. At the time of re-issuance of the membership to a resale purchaser of the Member's Cliffs property, the Cliffs Charter or Cliffs Golf Member who is resigning the membership shall be entitled to receive a refund. With respect to Cliffs Golf Memberships (previously known as "A" or Full Golf Memberships) issued on or after June 1, 1999, the amount of the refund shall be the original initiation deposit paid by such Member at the time the Member joined the Club. With respect to Cliffs Charter or Cliffs Golf Memberships (previously known as "A" or Full Golf Memberships) issued prior to June 1, 1999, the refund shall be the greater of the original amount of initiation deposit paid by such Member at the time he/she joined the Club, or; eighty percent (80%) of the membership deposit being charged at the time of resignation and re-issuance to a new Member for the same membership classification.

C. A Cliffs Charter or Cliffs Golf Member whose membership is not to be reissued to a resale purchaser of the resigning Member's property may tender their

11.1 Initiation Deposit - Members who joined prior to June 1, 1999 under the original master membership program paid a membership amount that consisted of 80% initiation deposit and 20% non-refundable membership fee. Members joining after June 1, 1999 paid a 100% initiation deposit. The initiation deposit portion of the membership fees paid is the refundable portion through the resignation and reissuing of a membership or voluntary resignation of membership through the required process outlined in the Membership Plan.

11.2 When Initiation Deposits Will Be Refunded - A Member paying an initiation deposit, as outlined in Section 11.1 is due a refund thirty (30) years following the date the Member joined in an amount equal to the initiation deposit paid, or according to the refund policy as outlined in this Membership Plan, whichever comes first. If one is still a Member at the end of thirty (30) years, such Member will be allowed to continue his/her membership by paying the applicable periodic dues and charges incurred until the Member subsequently resigns from the Club. A Member who elects to continue his or her membership at the end of the 30-year period will not be counted toward any cap or limits on the total number of Members or the number of Members in any category of membership. Refunds occurring as a result of a Member who sells his/her property, resigns their membership and subsequent re-issuance of membership to their resale buyer will be paid within 30 days following such re-issuance of the membership to the resale buyer at closing. Voluntary resignations will be refunded 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 Cliffs Club from its previously unissued memberships within the same classification as the resigned membership. Voluntary resignation refunds occurring at Home Clubs within Cliffs Communities where the remaining previously unsold company inventory is less than 15% of total lots available within the Cliffs Community will be processed only on the basis of one (1) refund for every three (3) memberships issued by the Cliffs Club within the same classification as the resigned membership.

11.3 Membership Classification Downgrade - A Member who chooses to downgrade to a different membership classification shall resign their current membership classification and provide the Club with appropriate notice as outlined in this Membership Plan. The Member will receive a refund, if applicable, equal to the difference in the amount of the original membership's initiation deposit previously paid and the amount of the prevailing new membership's initiation deposit. All reclassifications of membership are subject to eligibility, requirements, availability and applicable reclassification fees at the time.

12. Dues - All classifications of membership require the payment of periodic dues. Periodic dues are charged for the basic privileges accorded a Member by the membership classification acquired. Payment of dues does not cover purchases and charges for products and services offered at a Club Facility ordered by a Member, for example, merchandise, food and beverage, greens and cart fees, guest and tournament fees, and miscellaneous service and rental fees. The frequency of periodic dues and the amount of dues per membership classification is determined by the Cliffs Clubs, which has the sole authority and discretion to modify and change dues amounts and payment schedules upon management's determination. All dues billed are due and payable upon receipt. The payment of dues will not be abated for any reason, including, without limitation, any extended absences of the Member from the area, or any temporary disability preventing the Member's use of the club facilities. The Club may, but shall not be obligated, to offer dues levels that require the payment of greens fees and other usage fees for certain membership classifications. Members who have been issued Cliffs Golf Membership Add-on privileges at another Cliffs course may be charged additional dues. Members who have been issued marina add-on privileges may be charged additional dues. Members who own multiple properties and multiple memberships of the

CERTIFICATE OF CONFIRMATION OF MEMBERSHIP DEPOSIT OBLIGATIONS

THE CLIFFS CLUB & HOSPITALITY GROUP, INC.

hereby confirms that, pursuant to the terms of the Collateral Trust Agreement dated as of April 29, 2010 (as amended, the "Collateral Trust Agreement"; capitalized terms used but not defined herein have the meanings given them in the Collateral Trust Agreement) by and among The Cliffs Club & Hospitality Group, Inc. (the "Issuer"), the Guarantors from time to time party thereto, Wells Fargo Bank, National Association, as the Trustee, and Wells Fargo Bank, National Association, as Collateral Trustee, Jerry Hotujac, Membership No. H00041 is a "Designated Holder" within the meaning of the Collateral Trust Agreement. This Certificate of Confirmation shall not be negotiable, assignable or transferable (and any attempted negotiation, transfer or assignment shall be void *ab initio*) and shall only serve as confirmation that, as of the date of such certificate, the Membership Deposit Obligations owing to such Designated Holder are secured under the terms of the Security Documents. In addition, this Certificate of Confirmation shall not entitle the certificate holder to any benefit if subsequent to the issuance hereof, the certificate holder ceases to be a Designated Holder within the meaning of the Collateral Trust Agreement. The Collateral Trustee shall act as registrar regarding the Membership Deposit Obligations secured by the Security Documents and the books and records of the Collateral Trustee regarding the identity of the Designated Holders and the outstanding Membership Deposit Obligations owing to such Designated Holder shall be deemed to be conclusive evidence thereof, absent manifest error, regardless of the existence, or lack of existence, of a Certificate of Confirmation for such Designated Holder or any other Person.

Community: Valley

| | | |
|--|--------------|-----------------|
| Lot Reference and Initiation Deposit Amount: | <u>B/10</u> | <u>\$10,000</u> |
| | <u>173/2</u> | <u>\$75,000</u> |

Dated: April 30, 2010

[Signatures are on next page.]

May 4, 2012

BMC Group, Inc.
Attn: Cliffs Claims Processing
PO Box 3020
Chanhasen, MN 55317-3020

Subject: Cliffs Proof of Claim – Membership Deposits

Gentlemen,

I have attached the completed Proof of Claim forms with the following clarifications and questions.

Ref: Case #12-01227, Claim ID s14596, Amt - \$75,000

I agree with the conditions of this claim and have submitted the forms as such.

Ref: Case #12-01236, Claim ID s12567, Amt - ?

I am submitting the form for the amount of \$80,000 instead of the recorded amount of \$12,500 for the following reason.

- This Cliffs Valley Golf Membership was purchased prior to June 1, 1999.
- The terms of refund for this membership (see ClubCo Master Membership Program section 17B) is in the amount of 80% of the current refundable membership amount which at the time of filing for bankruptcy was \$100,000.

NOTE: It should also be noted that memberships purchased prior to June 1, 1999 consisted of both a refundable amount and a non-refundable amount (see ClubCo Master Membership Program section 11.1).

Secured vs. Unsecured

I have submitted both forms without indication that these are secured claims, however, I believe that they should be considered secured same as the investment Notes. This is based on the terms of the Certificate of Confirmation of Membership Deposit Obligations with ClubCo (see attached).

I would appreciate a response concerning:

- Determination of the amount of claim to be filed for the Cliffs Valley Membership Deposit?
- Determination of the secured/unsecured nature of both membership deposits?
- Are these issues being addressed and included in the negotiations with the prospective new owners?

Thank you,

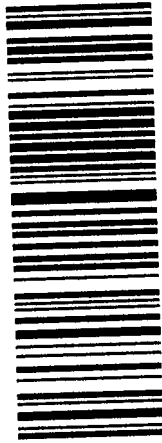


Jerry Hotujac
1398 Twain Ct.
Troy, Michigan 48083
(248-214-9087)
Cliffs No. H00041

Jerry Hotujac
1398 Twain Ct.
Troy, MI 48083

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL™



7011 2970 0000 6253 5372

BMC Group, Inc.
Attn: Cliffs Claims Processing
PO Box 3020
Chanhassen, MN 55317-3020

553173020 B050

U.S. POSTAGE
PAID
TROY, MI
48099
MAY 04, 12
AMOUNT

\$3.60
00012970-29



UNITED STATES
POSTAL SERVICE

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BMC GROUP

