

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH CAROLINA

PROOF OF CLAIM



Your Claim is Scheduled As Follows:  
Schedule/Claim ID: s14927  
AMOUNT/CLASSIFICATION:  
\$125,000.00 UNSECURED  
(CONTINGENT)

Name of Debtor:  
The Cliffs at Mountain Park Golf & Country Club, LLC

Case Number:  
12-01225

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) :

Stephen E. PIRNAT

Name and address where notices should be sent:

29347866005497  
Pirnat, Steve  
4728 East 98th Street  
Tulsa, OK 74137

RECEIVED  
MAY 15 2012  
BMC GROUP

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.

Creditor Telephone Number 918-298-0025 email: SEPURNAT@KCL.COM

THIS SPACE IS FOR COURT USE ONLY

Name and address where payment should be sent (if different from 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.

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

Court Claim Number (if known):

Filed on:

Payment Telephone Number ( ) email:

1. AMOUNT OF CLAIM AS OF DATE CASE FILED \$ 125,000.00

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: PAID Club INITIATION Deposit  
(See instruction #2)

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

N/A

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:

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:

- 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: Stephen E PIRNAT  
 Title: \_\_\_\_\_  
 Company: \_\_\_\_\_

Stephen E Pirnat 5/13/12  
 (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

<b>A.</b> U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT <b>SETTLEMENT STATEMENT</b>	<b>B. TYPE OF LOAN:</b>				
	1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> CONV. UNINS.	4. <input type="checkbox"/> VA	5. <input type="checkbox"/> CONV. INS.
	6. FILE NUMBER: 07-320PIRNAT			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 end by the settlement agent are shown. Items marked "POC" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.  
1.0 358 (07-320PIRNAT.PFD)(07-320PIRNAT(S))

<b>D. NAME AND ADDRESS OF BUYER:</b>  Stephen Edward Pirnat and Elizabeth Horgan Pirnat 4728 East 98th Street Tulsa, OK 74137	<b>E. NAME AND ADDRESS OF SELLER:</b>  The Cliffs at Mountain Park, LLC	<b>F. NAME AND ADDRESS OF LENDER:</b>
--	---	---------------------------------------

<b>G. PROPERTY LOCATION:</b> Lot 55, Cliffs at Mountain Park, Cliffs Estat  Greenville County	<b>H. SETTLEMENT AGENT:</b> 57-0522927 Horton Drawdy Ward & Jenkins, P.A.  <b>PLACE OF SETTLEMENT</b> 307 Pettigru Street Greenville, SC 29601	<b>I. SETTLEMENT DATE:</b>  November 28, 2007
--	---	---

J. SUMMARY OF BUYER'S TRANSACTION		K. SUMMARY OF SELLER'S TRANSACTION	
<b>100. GROSS AMOUNT DUE FROM BUYER:</b>		<b>400. GROSS AMOUNT DUE TO SELLER:</b>	
101. Contract Sales Price	475,000.00	401. Contract Sales Price	475,000.00
102. Personal Property		402. Personal Property	
103. Settlement Charges to Buyer (Line 1400)	1,911.40	403.	
104.		404.	
105.		405.	
<i>Adjustments For Items Paid By Seller in advance</i>		<i>Adjustments For Items Paid By Seller in advance</i>	
106. City/Town Taxes to		406. City/Town Taxes to	
107. County Taxes 11/29/07 to 01/01/08	13.53	407. County Taxes 11/29/07 to 01/01/08	13.53
108. Assessments to		408. Assessments to	
109. Membership	50,000.00	409. Membership	50,000.00
110. Golf Mbrshp Financed \$75,000		410. Golf Mbrshp Financed \$75,000	
111.		411.	
112.		412.	
<b>120. GROSS AMOUNT DUE FROM BUYER</b>	<b>526,924.93</b>	<b>420. GROSS AMOUNT DUE TO SELLER</b>	<b>525,013.53</b>
<b>200. AMOUNTS PAID BY OR IN BEHALF OF BUYER:</b>		<b>500. REDUCTIONS IN AMOUNT DUE TO SELLER:</b>	
201. Deposit or earnest money	10,000.00	501. Excess Deposit (See Instructions)	
202. Principal Amount of New Loan(s)		502. Settlement Charges to Seller (Line 1400)	119,572.85
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first Mortgage to NBSC	202,720.34
205.		505. Payoff of second Mortgage	
206.		506.	
207.		507. (Deposit disb. as proceeds)	
208.		508.	
209.		509.	
<i>Adjustments For Items Unpaid By Seller</i>		<i>Adjustments For Items Unpaid By Seller</i>	
210. City/Town Taxes to		510. City/Town Taxes to	
211. County Taxes to		511. County Taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
<b>220. TOTAL PAID BY/FOR BUYER</b>	<b>10,000.00</b>	<b>520. TOTAL REDUCTION AMOUNT DUE SELLER</b>	<b>322,293.19</b>
<b>300. CASH AT SETTLEMENT FROM/TO BUYER:</b>		<b>600. CASH AT SETTLEMENT TO/FROM SELLER:</b>	
301. Gross Amount Due From Buyer (Line 120)	526,924.93	601. Gross Amount Due To Seller (Line 420)	525,013.53
302. Less Amount Paid By/For Buyer (Line 220)	( 10,000.00)	602. Less Reductions Due Seller (Line 520)	( 322,293.19)
<b>303. CASH ( X FROM ) ( TO ) BUYER</b>	<b>516,924.93</b>	<b>603. CASH ( X TO ) ( FROM ) SELLER</b>	<b>202,720.34</b>

The undersigned hereby acknowledge receipt of a completed copy of pages 1&2 of this statement & any attachments referred to herein. I HAVE CAREFULLY REVIEWED THE HUD-1 SETTLEMENT STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS A TRUE AND ACCURATE STATEMENT OF ALL RECEIPTS AND DISBURSEMENTS MADE ON MY ACCOUNT OR BY ME IN THIS TRANSACTION. I FURTHER CERTIFY THAT I HAVE RECEIVED A COPY OF THE HUD-1 SETTLEMENT STATEMENT.

Buyer Stephen Edward Pirnat      Seller The Cliffs at Mountain Park, LLC  
 Elizabeth Horgan Pirnat  
 BY: \_\_\_\_\_

TO THE BEST OF MY KNOWLEDGE, THE HUD-1 SETTLEMENT STATEMENT WHICH I HAVE PREPARED IS A TRUE AND ACCURATE ACCOUNT OF THE FUNDS WHICH WERE RECEIVED AND HAVE BEEN OR WILL BE DISBURSED BY THE UNDERSIGNED AS PART OF THE SETTLEMENT OF THIS TRANSACTION.

Horton Drawdy Ward & Jenkins, P.A.  
 Settlement Agent

WARNING: IT IS A CRIME TO KNOWINGLY MAKE FALSE STATEMENTS TO THE UNITED STATES ON THIS OR ANY SIMILAR FORM. PENALTIES UPON CONVICTION CAN INCLUDE A FINE AND IMPRISONMENT. FOR DETAILS SEE: TITLE 18 U.S. CODE SECTION 1001 & SECTION 1010.

<b>L. SETTLEMENT CHARGES</b>					
<b>700. TOTAL COMMISSION Based on Price</b>	\$	471,000.00	@ 12.0000 %	56,520.00	
<i>Division of Commission (line 700) as Follows:</i>					
701. \$ 47,100.00	to	Cliffs Real Estate, Inc.			PAID FROM BUYER'S FUNDS AT SETTLEMENT
702. \$ 9,420.00	to	IMI Resort Properties, Inc.			PAID FROM SELLER'S FUNDS AT SETTLEMENT
703. Commission Paid at Settlement					56,520.00
704.	to				
<b>800. ITEMS PAYABLE IN CONNECTION WITH LOAN</b>					
801. Loan Origination Fee	%	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. Mortgage Insurance Premium for		months to			
903. Hazard Insurance Premium for		1.0 years to			
904.					
905.					
<b>1000. RESERVES DEPOSITED WITH LENDER</b>					
1001. Hazard Insurance	@ \$		per		
1002. Mortgage Insurance	@ \$		per		
1003. City/Town Taxes	@ \$		per		
1004. County Taxes	@ \$		per		
1005. Assessments	@ \$		per		
1006.	@ \$		per		
1007.	@ \$		per		
1008.	@ \$		per		
<b>1100. TITLE CHARGES</b>					
1101. Settlement or Closing Fee	to				
1102. Abstract/Title Search/Copies	to	Youngblood/Horton			187.50
1103. Title Examination	to				
1104. Title Insurance Binder	to	Pettigru Title Company, Inc.			115.00
1105. Document Preparation	to	J. Darryl Holland, Esq.			175.00
1106. Notary Fees	to				
1107. Attorney's Fees	to	Horton Drawdy Ward & Jenkins, P.A.			475.00
<i>(includes above item numbers: )</i>					
1108. Title Insurance	to	Pettigru Title Company, Inc.			931.25
<i>(includes above item numbers: )</i>					
1109. Lender's Coverage	\$				
1110. Owner's Coverage	\$	475,000.00		931.25	
1111. Membership	to	Cliffs Golf and Country Club, Inc.			50,000.00
1112.					
1113. Electric Availability Fee	to	Blue Ridge Electric			1,000.00
1114. Charity Donation	to	American Patriot Scholarship Fund			9,420.00
1115. POA Dues	to	Mountain Park Property Owners' Association		67.65	682.35
1116. Working Capital Contribution	to	Mountain Park Property Owners' Association		125.00	
1117.					
1118.					
<b>1200. GOVERNMENT RECORDING AND TRANSFER CHARGES</b>					
1201. Recording Fees: Deed \$	10.00;	Mortgage \$		Releases \$	18.00
1202. City/County Tax/Stamps: Deed					10.00
1203. State Tax/Stamps: Revenue Stamps		1,757.50;	Mortgage		1,757.50
1204.					
1205.					
<b>1300. ADDITIONAL SETTLEMENT CHARGES</b>					
1301. Survey	to				
1302. Pest Inspection	to				
1303.					
1304.					
1305.					
<b>1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)</b>				1,911.40	119,572.85

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

Horton Drawdy Ward & Jenkins, P.A.  
Settlement Agent

Certified to be a true copy.

**CLIFFS CLUB MEMBERSHIP  
PROMISSORY NOTE**

\$ 75,000.00 USD  
(Note Principal)

11/28/07  
(Date)  
Travelers Rest, South Carolina

Borrower(s): Stephen Edward and Elizabeth Horgan Pirnat

FOR VALUE RECEIVED, the below subscribing individual(s) (individually or collectively, "Borrower") promises to pay to the order of Cliffs Golf & Country Club ("Lender") with an address at 3598 Highway 11, Travelers Rest, S.C. 29690, Attention: Cliffs Golf & Country Club (or at such other place or places as the Lender may designate) the above identified Note Principal under the terms and conditions of this Cliffs Club Membership Promissory Note (this "Note").

1. Interest. Interest shall accrue on the outstanding principal balance of this Note until paid (whether at stated maturity, on acceleration or otherwise) at the rate of 6.00% per annum. Interest is computed daily based on a 365 day year on the entire outstanding principal balance, and this Note and all interest payments are due precisely on the dates specified below; provided, however, that if the terms of this Note require the payment of any monies to occur on a Saturday, Sunday or any other day on which banks in the State of South Carolina are not open for the purpose of receiving deposits, such payment shall be timely if made on the next succeeding day when such banks are open.

Regardless of any other provision of this Note, if for any reason the effective interest should exceed the maximum lawful interest, the effective interest shall be deemed reduced to, and shall be, such maximum lawful interest, and (i) the amount which would be excessive interest shall be deemed applied to the reduction of the principal balance of this Note and not to the payment of interest, and (ii) if the loan evidenced by this Note has been or is thereby paid in full, the excess shall be returned to the party paying same, such application to the principal balance of this Note or the refunding of excess to be a complete settlement and acquittance thereof.

2. Payments.

- (a) *Payment One.* One year from the date hereof, Borrower will pay Lender the principal amount of \$37,500.00 plus interest in the amount of \$4,500.00.
- (b) *Payment Two.* Two years from the date hereof, Borrower will pay Lender the principal amount of \$37,500.00 plus interest in the amount of \$2,250.00.
- (c) Payments may be paid by check, wire transfer, money order, cashier's check, or credit card. However, Borrower will be responsible for the payment of a processing fee in the amount of \$500.00 if payments are made by credit card.

- (d) All payments of principal and interest on this Note shall be payable to Lender in lawful currency of the United States of America in immediately available funds in the manner and location indicated above or wherever else Lender may specify.

If payment of principal and any fees due hereunder in respect of Payment One shall be made when due or within five days thereafter, Lender shall forgive Borrower all interest due and owing in respect of the Payment One principal amount. If payment of principal and any fees due hereunder in respect of Payment Two shall be made when due or within five days thereafter, Lender shall forgive Borrower all interest due and owing in respect of the Payment Two principal amount. Lender shall not be responsible for and hereby disclaims any liability to Borrower (including, without limitation, applicable state and federal tax liability) accruing to Borrower as a result of any such forgiveness of interest.

3. Prepayment. This Note may be prepaid in whole or in part at any time without any premium or penalty.

4. Late Charges. If any payments are not timely made, Borrower shall also pay to Lender a late charge equal to 2.00% of each payment past due for 30 or more days. This late charge shall not apply to payments due at maturity or by acceleration of the loan evidenced by this Note, unless such late payment is in an amount not greater than the highest periodic payment due hereunder.

5. Events of Default. An "Event of Default" shall mean any one or more of the following events:

- (i) The Borrower fails to pay any principal or accrued interest on this Note when it is due and payable, and the failure continues for a period of five days after notice of non-payment is delivered to the Borrower by the Lender;
- (ii) The Borrower commences any voluntary proceeding under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, receivership, dissolution, or liquidation law or statute, of any jurisdiction, whether now or subsequently in effect; or the Borrower is adjudicated insolvent or bankrupt by a court of competent jurisdiction; or the Borrower petitions or applies for, acquiesces in, or consents to, the appointment of any receiver or trustee of the Borrower or for all or substantially all of its property or assets; or the Borrower makes an assignment for the benefit of creditors; or the Borrower admits in writing its inability to pay its debts as they mature; or
- (iii) There is commenced against the Borrower any proceeding relating to the Borrower under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, receivership, dissolution, or liquidation law or statute, of any jurisdiction, whether now or subsequently in effect, and the proceeding remains undismissed for a period of sixty (60) days or the Borrower by any act indicates its consent to, approval of, or acquiescence in, the proceeding; or a receiver or trustee is appointed for the Borrower or for all or substantially all of its property or assets, and the receivership or trusteeship remains undischarged for a period of sixty (60) days; or a warrant of attachment, execution, or similar process

is issued against any substantial part of the property or assets of the Borrower, and the warrant or similar process is not dismissed or bonded within sixty (60) days after the levy; or an order, order for relief, judgment or decree shall be entered by any court of competent jurisdiction or other competent authority approving or ordering any of the foregoing actions.

If an Event of Default shall have occurred and be continuing, then the entire amount of this Note, plus all accrued interest, shall be due and payable immediately at the election of the Lender. Lender may bring suit against Borrower to collect the obligations owed under this Note, exercise any remedy available to Lender hereunder or at law and take any action or exercise any remedy provided herein or under applicable law. No remedy shall be exclusive of other remedies or impair the right of Lender to exercise any other remedies.

It is further agreed that the acceptance after maturity of any payment or payments shall not constitute a waiver of the right of the Lender to demand payment in full of any unpaid balance. The Lender may exercise this option to accelerate during any Event of Default regardless of any prior forbearance. If suit is brought to collect this Note, the Lender shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorney's fees and court costs.

No delay or failure on the part of the Lender in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by the Lender of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy. The remedies herein provided are cumulative and are in addition to any other remedies provided by law, under this Note or otherwise. The Lender shall be under no duty to exercise any or all of the rights and remedies given by this Note, and the Borrower shall not be discharged from any of its obligations or undertaking hereunder (a) should the Lender release or agree not to sue any person against whom the Borrower has, to the knowledge of the Lender, a right of recourse or (b) should the Lender agree to suspend its rights to enforce this Note or otherwise discharge such person.

6. Failure to Perform Note. Upon the occurrence of any Event of Default, Lender may immediately suspend Borrower's membership at any Cliffs Club, and Borrower shall lose all membership rights and privileges as of such date unless membership principal, interest and fees are paid in full within sixty (60) days of the Event of Default. Further, in Lender's sole discretion, Borrower may be precluded from joining any Cliffs Club at any time in the future.

7. Application of Payments. All sums received by the Lender for application to the loan evidenced by this Note may be applied by the Lender to late charges, expenses, costs, interest, principal and other amounts owing to the Lender in connection with the loan evidenced by this Note in the order selected by the Lender in its sole discretion.

8. Security Interest; Set-Off. Borrower hereby grants to Lender a lien on and security interest in all property or assets (including Borrower's Cliffs Clubs Membership Deposits ("Deposits") and other credits) of Borrower at any time in the possession or control of (or owing to) the Lender under The Cliffs Clubs Membership Plan (the "Membership Plan") as security for Borrower's obligations to Lender under this Note, the Membership Plan, membership dues or expenses, or any other obligation of any kind whatsoever now or hereafter

owed by Borrower to Lender. In addition to any other remedy available under contract or applicable law, Lender may debit any accounts or Deposits held by Lender and apply such amounts to the payment of interest, fees, expenses and other amounts to which Lender may be entitled from time to time, and Lender is hereby irrevocably authorized to do so without the consent of Borrower. Any expulsion or termination of Borrower's membership at any Cliffs Club may, at the option of Lender, be treated as a membership revoked due to disciplinary action under paragraph 21 of the Membership Plan, and Borrower shall not be entitled to any refund of any Deposit or any refund for membership usage fees or any dues paid by Borrower.

9. Waiver. Borrower waives demand, notice, presentment, protest, demand for payment, notice of dishonor, notice of protest and diligence of collection of this Note. Borrower consents to any and all extensions of time, renewals, waivers, or modifications that may be granted by the Lender with respect to the payment or other provisions of this Note. Borrower agrees that makers, endorsers, guarantors and sureties may be added or released without notice and without affecting Borrower's liability hereunder. The liability of Borrower shall be absolute and unconditional and without regard to the liability of any other party hereto. To the fullest extent permitted by applicable law, upon the occurrence of any Event of Default, neither Borrower nor anyone claiming by or under Borrower will claim or seek to take advantage of N.C.G.S. 26-7, et seq. or any other similar law in any other jurisdiction requiring Lender to attempt to realize upon any collateral for the obligations evidenced hereby or collateral of any surety or guarantor, or any appraisal, evaluation, stay, extension, homestead, redemption or exemption laws now or hereafter in force in order to prevent or hinder the enforcement of this Note. Borrower, for itself and all who may at any time claim through or under Borrower, hereby expressly waives to the fullest extent permitted by law the benefit of all such laws. All rights of Lender and all obligations of Borrower hereunder shall be absolute and unconditional irrespective of (i) any change in the time, manner or place of payment of, or any other term of, all or any of such obligations, or any other amendment or waiver of or any consent to any departure from any provision of this Note, (ii) any exchange, release or non-perfection of any other collateral given as security for such obligations, or any release or amendment or waiver of or consent to departure from any guaranty for all or any of such obligations, or (iii) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Borrower or any third party, other than payment and performance in full of such obligations.

10. Notices. All notices and other communications provided for herein shall be in writing, signed by the sender or an authorized representative of the sender, and addressed to the receiver as follows: If to the Lender, to the address set forth in the introductory paragraph of this Note. If to the Borrower, at the address set forth on the signature page hereof. Any notice or other communication hereunder shall be deemed given and effective upon the first to occur of the following: (i) upon delivery by hand to the receiver at the receiver's notice address by personal delivery or recognized overnight courier, or (ii) three days after being deposited in the U.S. Mail, certified, return receipt requested, directed to the receiver's notice address.

11. Assignment. The Note and the rights of Lender under this Note may be assigned by Lender in whole or in part at any time or from time to time. This Note may not be assigned by Borrower without Lender's prior written consent.

12. Jurisdiction. Borrower hereby consents that any action or proceeding against it be commenced and maintained in any court within the State of South Carolina by service of process



on any such owner, partner and/or officer, and Borrower agrees that the courts of such State shall have jurisdiction with respect to the subject matter hereof and the person of Borrower. Borrower agrees not to assert any defense to any action or proceeding initiated by the Lender based upon improper venue or inconvenient forum.


13. Governing Law. This Note was executed and delivered in the State of South Carolina and shall be governed by and construed in accordance with the laws of the State of South Carolina without reference to conflict of laws principles.

14. Miscellaneous. In case any one or more of the provisions contained in this Note should be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. This Note shall not be modified or amended except by written instrument signed by both parties hereto. The section and paragraph headings contained in this Note are for reference purposes only and shall not affect in any way the meaning or interpretation of this Note. Terms such as "hereof," "hereunder," "hereto," "herein," and words of similar import shall refer to this Note in its entirety, unless the context clearly requires otherwise. This Note shall be binding upon the Lender, the Borrower, and its respective successors/heirs and permitted assigns, as applicable; and shall inure to the benefit of the Lender and its successors and permitted assigns, and the Borrower and its successors/heirs and permitted assigns. If more than one person is named as Borrower hereunder, all obligations set forth herein to which such person is a party shall be joint and several. Lender shall have the right to deal with any individual of any Borrower with regard to all matters concerning the rights and obligations of Lender hereunder and pursuant to applicable law with regard to the transactions contemplated hereby. All actions or inactions of any Borrower with regard to the transactions contemplated hereunder shall be deemed made with full authority and binding upon all Borrowers hereunder. Each Borrower hereby appoints each other Borrower as its true and lawful attorney-in-fact, with full right and power, for purposes of exercising all rights of such person hereunder and under applicable law with regard to the transactions contemplated under hereby. The foregoing is a material inducement to the agreement of Lender to enter into the terms hereof and to consummate the transactions contemplated hereby.

[remainder of page intentionally left blank]

15. Waiver of Jury Trial. BORROWER AND THE LENDER AGREE THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY SUIT, ACTION OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT BY THE LENDER OR BORROWER, ON OR WITH RESPECT TO THIS NOTE OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. THE LENDER AND THE BORROWER EACH HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND INTELLIGENTLY AND WITH THE ADVICE OF THEIR RESPECTIVE COUNSEL, WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, BORROWER IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL OR OTHER DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. BORROWER ACKNOWLEDGES AND AGREES THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS NOTE AND THAT THE LENDER WOULD NOT EXTEND CREDIT TO BORROWER IF THE WAIVERS SET FORTH IN THIS SECTION WERE NOT A PART OF THIS NOTE.

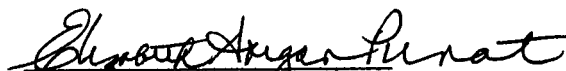
IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed as of the day and year first above written.



BORROWER:

Name: Stephen Edward Pirnat

Social Security No. Or EIN:



Name: Elizabeth Horgan Pirnat

Social Security No. Or EIN:

Address for Notices:

4728 East 98<sup>th</sup> St, Tulsa, OK 74137

**TITLE INSURANCE FINANCIAL INTEREST DISCLOSURE FORM (SCID 3601)**  
**AND**  
**NOTICE OF AVAILABILITY OF OWNER'S INSURANCE**

NAME: Stephen Edward Pirnat and Elizabeth Horgan Pirnat  
PROPERTY ADDRESS: Lot 55, The Cliffs at Mountain Park, Cliffs Estates, Marietta, SC 29661  
INSURANCE CO.: FIRST AMERICAN TITLE INSURANCE COMPANY  
AGENT: Pettigru Title Company, Inc.

In accordance with S.C. Code #38-75-960(a)(1976), as amended, the undersigned producer of title insurance business or associate of such producer hereby advises that it has a financial interest in the following title insurer(s) or title agent(s):

<u>Name of Insurer or Agent</u>	<u>Address</u>	<u>Nature of Interest</u>
Pettigru Title Company, Inc.	307 Pettigru Street Greenville, SC 29601	100%

Producer Associate's Name: Thomas F. Dugas

Signature: \_\_\_\_\_

Address: 307 Pettigru Street  
Greenville, SC 29601

Date: November 28, 2007  
CLOSING DATE

**ACKNOWLEDGEMENT**

The undersigned applicant is a buyer, seller, or lender who has been referred by the above named producer of title business or associate of such producer to one or more of the title insurers or title agents identified hereinabove. The undersigned expressly recognizes and acknowledges the financial interest of such producer or associate as disclosed hereinabove, and further certifies that:

1. I understand that a mortgage title insurance policy is required on my loan, and that this policy does not provide insurance for my separate ownership interest.
2. I have been given the opportunity to purchase an Owner's Title Insurance Policy with the insurer of my choice to protect my separate ownership interest.
3. I understand that I have the right to choose the title insurer notwithstanding the recommendation of the agent, representative or attorney.
4. I understand that when a licensed agent issues title insurance, a commission of approximately 60 % will be paid to the licensed agent for underwriting and issuing the title insurance. Pettigru Title Company, Inc. is a licensed issuing agent for First American Title Insurance Company.
5. (  ) I would like to obtain an Owner's Title Insurance Policy in the amount of the total purchase for the additional premium of \$931.25.  
(  ) I do not wish to obtain an Owner's Policy.
6. I ACKNOWLEDGE THAT THE TITLE INSURANCE COMPANY HAS AGREED TO ISSUE A POLICY OF TITLE INSURANCE AS A PART OF THIS TRANSACTION. AS SAID POLICY MAY CREATE CERTAIN OBLIGATIONS FOR THE TITLE INSURANCE COMPANY WITH RESPECT TO THE DISBURSEMENT OF ALL CLOSING PROCEEDS, I HEREBY CONSENT TO AN AUDIT BY THE TITLE INSURANCE COMPANY OF ANY AND ALL TRUST ACCOUNT RECORDS INCLUDING THOSE PERTAINING TO THE DISPOSITION OF CLOSING PROCEEDS AND WAIVE ANY CLAIM OF ATTORNEY-CLIENT PRIVILEGE OF CONFIDENTIALITY WHICH I MAY HAVE THERETO.

DATED: 11/28/07

Applicant/Mortgagor/Purchaser: \_\_\_\_\_

  
Stephen Edward Pirnat

Applicant/Mortgagor/Purchaser: \_\_\_\_\_

  
Elizabeth Horgan Pirnat



The First American Corporation  
First American Title Insurance Company  
Privacy Policy

**We Are Committed to Safeguarding Customer**

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information – particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

**Applicability**

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values, a copy of which can be found on our website at [www.firstam.com](http://www.firstam.com).

**Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

**Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

**Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

**Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

ACKNOWLEDGED:

  
Stephen Edward Pirnat

  
Elizabeth Horgan Pirnat

DATE: 11/28/07

4728 East 98<sup>th</sup> Street  
Tulsa, OK 74137  
May 14, 2012

BMC Group, Inc.  
Attn: Cliffs Claims Processing  
18675 Lake Drive East  
Chanhassen, MN 55317

Re: Schedule/Claim ID: s14927

BMC Group:

Enclosed is our "Proof of Claim" and the following supporting documents:

a) Settlement Statement and b) Promissory Note.

Please contact me at 918-298-0085 if you require additional or different documentation.

I have enclosed an addressed, stamped envelope. Please return a date-stamped copy of my claim.

Thank you.

Sincerely,

  
Stephen E. Pirnat

Elizabeth H. Pirnat

---

*Original*

Pimat  
4728 East 98th Street  
Tulsa, OK 74137

BMC Group, Inc.

ATTN: Claims Claims Processing

18675 Lake Drive East

Chanhassen, MN

55317

PLEASE PRESS FIRMLY

Print postage online - Go to usps.com/pos

PLEA



UNITED STATES POSTAL SERVICE

1007

U.S. POSTAGE  
PAID 0K.0K  
TULSA OK.0K  
MAY 14, 12  
AMOUNT  
\$18.95  
0088871-02



**EXPRESS MAIL**  
POSTAL SERVICE

**Flat Rate Mailing Envelope**  
For Domestic and International Use

Visit us at usps.com



E1510439081US



**EXPRESS MAIL**

UNITED STATES POSTAL SERVICE

Post Office To Addressee

Addresssee Copy  
Label 1-B, March 2004

When used internationally  
fix customs declarations  
(S Form 2976, or 2976A).

**ORIGINATOR/POSTAL SERVICE USE ONLY**

PO ZIP Code	Day of Delivery Next <input type="checkbox"/> 2nd <input type="checkbox"/> 2nd Del. Day	Postage \$
Date Accepted	Scheduled Date of Delivery—Return Receipt Fee Month Day	\$
Mo. Day Year	Scheduled Time of Delivery Month Day	Insurance Fee \$
Time Accepted	Military <input type="checkbox"/> Noon <input checked="" type="checkbox"/> 3 PM	Total Postage & Fees \$
Flat Rate <input type="checkbox"/> or Weight <input checked="" type="checkbox"/>	Int'l Alpha Country Code	Acceptance Emp. Initials
lbs. ozs.		

FROM: (PLEASE PRINT) PHONE ( )

STOVE PURSAT  
4228 S. TAMM DR  
TULSA OK 74103

**FOR PICKUP OR TRACKING**  
Visit [www.usps.com](http://www.usps.com)  
Call 1-800-222-1811

**DELIVERY/POSTAL SERVICE USE ONLY**

Delivery Attempt	Time	Employee Signature
Mo. Day	11:47 AM	JG
Delivery Attempt	Time	Employee Signature
Mo. Day		
Delivery Date	Time	Employee Signature
Mo. Day		

**CUSTOMER USE ONLY**

**NO DELIVERY** (Weekend/Holiday)

**MAILER SIGNATURE**

**RECEIVED**  
MAY 15 2012

TO: (PLEASE PRINT) PHONE ( )

NO DELIVERY  Weekend  Holiday  Mailer Signature

ZIP + 4 (U.S. ADDRESSES ONLY. DO NOT USE FOR FOREIGN POSTAL CODERS.)

FOR INTERNATIONAL DESTINATIONS, WRITE COUNTRY NAME BELOW.

BMC GROUP

USPS packaging products have been awarded Cradle to Cradle Certifications 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 IAGSD.

recycle.

3