

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH CAROLINA

PROOF OF CLAIM



Your Claim is Scheduled As Follows:  
Schedule/Claim ID: s13564  
AMOUNT/CLASSIFICATION:  
\$27,300.00 UNSECURED  
(CONTINGENT)

Name of Debtor:  
The Cliffs at Keowee Vineyards Golf & Country Club,  
LLC

Case Number:  
12-01226

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) :

Name and address where notices should be sent:  
 29347866004781  
Gay, Stephen  
18336 Peninsula Club Drive  
Cornelius, NC 28031

RECEIVED  
MAY 23 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.

THIS SPACE IS FOR COURT USE ONLY

Creditor Telephone Number ( ) email:

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 \$ 80,000.00

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: Membership deposit (appreciating membership)  
(See instruction #2)

3. LAST FOUR DIGITS OF ANY NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:  
0069

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:

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 D. GAY  
 Title: \_\_\_\_\_  
 Company: \_\_\_\_\_

Stephen D. Gay      05/22/2012  
 (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. SETTLEMENT STATEMENT**

U.S. DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT

OMB NO. 2502-0265



<b>B. TYPE OF LOAN</b>		<b>6. FILE NUMBER</b> 14009152	<b>7. LOAN NUMBER</b>	<b>8. MORTGAGE INS CASE NUMBER</b>
1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input checked="" type="checkbox"/> Conv. Units		
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.			
<b>C. NOTE:</b> 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 "[POC]" were paid outside the closing; they are shown here for informational purposes and are not included in the totals. 4.2 05-95 (5/14009152)				
<b>D. NAME AND ADDRESS OF BORROWER</b>		<b>E. NAME AND ADDRESS OF SELLER</b>		<b>F. NAME AND ADDRESS OF LENDER</b>
Stephen D. Gay and Shirley M. Gay 2910 W. Winterberry Lane Peoria, IL 61604		Keowee Investment Group, LLC 301 Beaver Dam Road Travelers Rest, SC 29690		NationsBank, N.A. P.O. Box 26865 Richmond, VA 23261
<b>G. PROPERTY LOCATION</b>		<b>H. SETTLEMENT AGENT</b>		<b>I. SETTLEMENT DATE</b>
Lot 27 Sec S, Keowee Vineyards Sunset, SC 29685 Pickens County, South Carolina		Jeffrey H. Gray, Esquire 288-42-0579		
		<b>PLACE OF SETTLEMENT</b>		July 27, 1998
		1710 Highway 11 Landrum, SC 29356		
<b>J. SUMMARY OF BORROWER'S TRANSACTION</b>			<b>K. SUMMARY OF SELLER'S TRANSACTION</b>	
<b>100. GROSS AMOUNT DUE FROM BORROWER</b>			<b>400. GROSS AMOUNT DUE TO SELLER</b>	
101. Contract Sales Price	500,000.00	401. Contract Sales Price	500,000.00	
102. Personal Property		402. Personal Property		
103. Settlement Charges to Borrower line 1400	25,810.04	403.		
104.		404.		
105.		405.		
Adjustments for items paid by Seller in advance			Adjustments for items paid by Seller in advance	
106. City/town Taxes to		406. City/town Taxes to		
107. County Taxes to		407. County Taxes to		
108. Assessments to		408. Assessments to		
109.		409.		
110.		410.		
111.		411.		
112.		412.		
<b>120. GROSS AMOUNT DUE FROM BORROWER</b>	<b>525,810.04</b>	<b>420. GROSS AMOUNT DUE TO SELLER</b>	<b>500,000.00</b>	
<b>200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER</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)	276,375.00	502. Settlement Charges to Seller line 1400	90,645.21	
203. Existing Loan(s) Taken Subject to		503. Existing Loans taken subject to		
204.		504. Payoff of first mortgage loan		
205.		505. Payoff of second mortgage loan		
206.		506.		
207.		507. (Deposit disbursed as proceeds)		
208.		508.		
209.		509.		
Adjustments for items unpaid by Seller			Adjustments for items unpaid by Seller	
210. City/town Taxes to		510. City/town Taxes to		
211. County Taxes 01-01-98 to 07-27-98	2,268.49	511. County Taxes 01-01-98 to 07-27-98	2,268.49	
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 BORROWER</b>	<b>288,643.49</b>	<b>520. TOTAL REDUCTION AMOUNT DUE SELLER</b>	<b>92,913.70</b>	
<b>300. CASH AT SETTLEMENT FROM/TO BORROWER</b>			<b>600. CASH AT SETTLEMENT TO/FROM SELLER</b>	
301. Gross Amt Due from Borrower (line 120)	525,810.04	601. Gross Amount Due to Seller (line 420)	500,000.00	
302. Less Amt Paid by/for Borrower (line 220)	( 288,643.49)	602. Less Reductions Due Seller (line 520)	( 92,913.70)	
303. CASH <input checked="" type="checkbox"/> FROM <input type="checkbox"/> TO BORROWER	237,166.55	603. CASH <input checked="" type="checkbox"/> TO <input type="checkbox"/> FROM SELLER	407,086.30	

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.

BORROWER Stephen D. Gay  
Stephen D. Gay  
BORROWER Shirley M. Gay  
Shirley M. Gay

SELLER Keowee Investment Group, LLC  
By: Sandra S. Hyde  
Its: Asst. Sec.

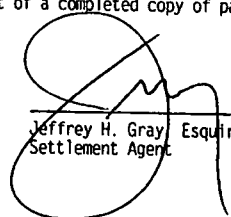
TO THE BEST OF MY KNOWLEDGE, THE HUD-1 SETTLEMENT STATEMENT WHICH I HAVE PREPARED IS A TRUE AND ACCURATE ACCOUNT OF THE FUNDS WHICH WERE RECEIVED AND HAVE BEEN OR WILL BE DISBURSED BY THE UNDERSIGNED AS PART OF THE SETTLEMENT OF THIS TRANSACTION.

Jeffrey H. Gray, Esquire  
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.

L. SETTLEMENT CHARGES				PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700. Total Sales/Brokers Commissions Based on Price \$	494,000.00 @ 10.5000 % =	51,870.00			
Division of Commission (line 700) as follows:					
701. \$ 51,870.00 to Cliffs Real Estate, Inc.					
702. \$ to					
703. Commission Paid at Settlement					51,870.00
704.					
800. ITEMS PAYABLE IN CONNECTION WITH LOAN					
801. Loan Origination Fee	5000 % to NationsBank, N.A.		1,375.00		
802. Loan Discount	% to				
803. Appraisal Fee	to Appraisal Services/Upstate POC \$250.00				
804. Credit Report	to				
805. Lender's Inspection Fee	to				
806. Mortgage Ins. App. Fee	to				
807. Assumption Fee	to				
808.					
809.					
810.					
811.					
812.					
813.					
814.					
815.					
816.					
817.					
818.					
819.					
820.					
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE					
901. Interest from to @ \$ /day( days %)					
902. Mortgage Insurance Premium for months to					
903. Hazard Insurance Premium for 1 years to					
904. to					
905.					
1000. RESERVES DEPOSITED WITH LENDER					
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.					
1100. TITLE CHARGES					
1101. Settlement or Closing Fee	to				
1102. Abstract or Title Search	to Glassy Title Agency, Inc.				50.00
1103. Title Examination	to				
1104. Title Insurance Binder	to				
1105. Document Preparation	to Glassy Title Agency, Inc.				100.00
1106. Attorney's Fees	to				
1107. Settlement Fee Per Contract	to Jeffrey H. Gray, Esquire POC \$250.00				
(includes above item numbers: 1101, 1102, 1103, 1105, 1106)					
1108. Title Insurance	to Glassy Title Agency, Inc. POC \$634.75		415.25		
(includes above item numbers: 1104)					
1109. Lender's Coverage \$	276,375.00				
1110. Owner's Coverage \$	500,000.00				
1111. Contribution	to Pinnacle Point, Inc.				25,000.00
1112. Water Installation Fee	to Keowee Investment Group, LLC - Water		1,250.00		
1113. Road Escrow	to Keowee Road Escrow Fund/CMC, Inc.				5,500.00
1114.					
1115. Keowee Social/Athletic (20%)	to Cliffs Golf & C.C. - Keowee Operating				1,200.00
1116. Keowee Social/Athletic (80%)	to Cliffs Golf & C.C. - Keowee Escrow				4,800.00
1117. Keowee "A" Membership (20%)	to Cliffs Golf & C.C. - Keowee Operating		4,500.00		
1118. Keowee "A" Membership (80%)	to Cliffs Golf & C.C. - Keowee Escrow		18,000.00		
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES					
1201. Recording Fees: Deed \$ 10.00 Mortgage \$ 13*00 Releases \$		POC \$13.00			10.00
1202. City/County Tax/Stamps: Deed \$ Mortgage \$					
1203. State Tax/Stamps: Deed \$ 1,850.00 Mortgage \$					1,850.00
1204.					
1205.					
1300. ADDITIONAL SETTLEMENT CHARGES					
1301. Survey	to				
1302. Pest Inspection	to				
1303. Membership Fee	to F.O.L.K.S.				10.00
1304. Homeowner's Association Dues	to Cliffs at Keowee Vineyards		194.79		255.21
1305. POA Capital Contribution/2 mo.	to Keowee Comm. Assoc. Reserve		75.00		
1400. TOTAL SETTLEMENT CHARGES (Enter On Lines 103, Section J and 502, Section K)			25,810.04		90,645.21

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

(5/14009152)  
Certified to be a true copy

  
Jeffrey H. Gray Esquire  
Settlement Agent

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

**CLIFFS AT KEOWEE VINEYARDS GOLF CLUB, LLC  
MEMBERSHIP AGREEMENT**

I have received and reviewed official club documents outlining the Keowee Membership Plan and Outline. I agree to participate and become enrolled as a member of The Cliffs at Keowee Golf 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>
<input checked="" type="checkbox"/> Keowee Social Athletic	\$ <u>6000.00</u>
<input checked="" type="checkbox"/> Keowee Full Golf	\$ <u>22500.00</u>

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.

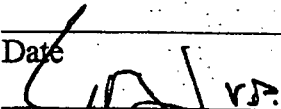
I shall be bound by the terms and conditions of the plan documents, as they may be amended from time to time in accordance with their terms and this membership purchase agreement.

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.

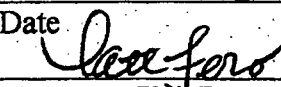
\_\_\_\_\_  
Member Signature

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
William H. Boyd, Vice President  
Club Operations  
The Cliffs Golf & CC, Inc.

\_\_\_\_\_  
Member Signature

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Patt Fero, Club Representative  
Membership Department  
The Cliffs Golf & CC, Inc.

**THE CLIFFS AT KEOWEE VINEYARDS GOLF CLUB, LLC**  
**MEMBERSHIP OUTLINE**  
January 1998

Property purchasers at The Cliffs at Keowee Vineyards will enjoy a variety of private club recreational and social amenities. The master club development plan includes an eighteen hole championship golf course designed by Tom Fazio, golf practice facilities, outdoor swimming pool, tennis courts, beach and pavilion area, full service clubhouse, indoor adult lap pool and fitness center, and marina facilities that include a community ramp and dock, marina clubhouse, individual wet slips and dockmaster services.

All property owners will be enrolled as a **Keowee Social Athletic Member**. A Social Athletic Membership provides for unlimited and unrestricted use of all recreational and social amenities, excepting the golf course and golf practice facilities. All fees designated for the Keowee Social Athletic Membership are considered 80% refundable in the future event of a property resale. At the time of a property resale, the property owner (member) will resign the Social Athletic Membership from the club and receive an 80% refund of the total fees paid at the time of his original property purchase. The buyer of the member's property will subsequently purchase a Social Athletic Membership from the club at the then current membership fees applicable. All property owners (social athletic members) will be subject to monthly club dues, which will be established and announced in a schedule that corresponds with the completion of and access to finished club amenities and facilities.

Property owners purchasing property at The Cliffs at Keowee Vineyards community may have an option to purchase a full golf membership, in addition to the Social Athletic membership. The golf membership, classified as a **Keowee A Membership**, must be purchased at the same time of the property closing or within 30 days of the property closing. An "A" designation guarantees the property owner (member) the right to transfer his/her golf membership to a buyer of the property in the event of a future property resale transaction. In a transfer of membership process, the property owner (member) will resign the "A" membership from the club, who will subsequently reissue the membership to the buyer of the property, who becomes the new member. The membership is reissued to the new member at the then current membership fees. The resigned member (seller of property) receives 80% of the new fees charged to the buyer. All membership transfers must be handled through the club management or membership office. A **Keowee A Membership** also provides for an 80% refund due to a voluntary resignation of the full golf membership (not associated with a resale and membership transfer). The refund is based on 80% of total membership fees paid at the time the member purchased the golf membership, and in accordance with any refund procedures as outlined in the Club by-laws. A property owner in The Cliffs at Keowee Vineyards who initially is processed as a Social Athletic Member, who opts not to purchase a Keowee A Membership for full golf privilege, will not be guaranteed the opportunity to purchase full golf membership in the future.



May 22, 2012

BMC Group, Inc.  
Attn: Cliffs Claims Processing  
18675 Lake Drive East  
Chanhassen, MN 55317-3020

Subject: Cliffs Proof of Claim – Membership Deposit (appreciating membership)

Gentlemen:

Enclosed is a completed Proof of Claim form as follows:

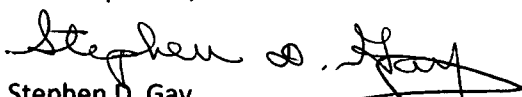
Case # 12-01226, Claim ID s13564, Amount - \$80,000

I am submitting the claim in the amount of \$80,000, instead of the amount scheduled of \$27,500 because my membership was purchased prior to June 1, 1999. Under the terms of the Cliffs Membership program, those memberships purchased prior to June 1, 1999 were entitled to 80% of the current refundable membership amount. At the time of the bankruptcy, the amount of the membership was \$100,000.

Attached are documents showing my closing date of July 27, 1998 and the Cliffs program of 80% refund program for those memberships purchased prior to June 1, 1999. I enclose an extra copy of the claim and ask that you return a file stamped copy to me in the enclosed envelope.

Thank you.

Sincerely Yours,

  
Stephen D. Gay  
18336 Peninsula Club Drive  
Cornelius, NC 28031

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Mo. Day	Employee Signature
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Mo. Day	Employee Signature
Delivery Date	Time <input type="checkbox"/> AM <input type="checkbox"/> PM
Mo. Day	Employee Signature
<b>CUSTOMER USE ONLY</b>	
<input type="checkbox"/> WAIVER OF SIGNATURE (Domestic Mail Only) Additional merchandise insurance is void if customer requests waiver of signature. Signature required for delivery to addresses for which delivery to be made without obtaining signature of addressee or addressee's agent. Signature must be left in secure location and I authorize that delivery employee's signature constitutes valid proof of delivery.	
<input type="checkbox"/> PAYMENT BY ACCOUNT Express Mail Corporate Acct. No.	
<input type="checkbox"/> Federal Agency Acct. No. or Postal Service Acct. No.	
<input type="checkbox"/> NO DELIVERY Weekend <input type="checkbox"/> Holiday <input type="checkbox"/>	

PO ZIP Code	Day of Delivery	Postage	Insurance Fee
28031	<input checked="" type="checkbox"/> Next <input type="checkbox"/> 2nd <input type="checkbox"/> 2nd Dtl Day	\$ 18.95	\$
Date accepted	Scheduled Date of Delivery	Return Receipt Fee	
5-22-12	Month Day Year	\$	
Mo. Day Year	Scheduled Time of Delivery	COD Fee	
1328 PM	<input type="checkbox"/> Noon <input checked="" type="checkbox"/> 3 PM	\$	
Flat Rate <input type="checkbox"/> or Weight	Military <input type="checkbox"/>	Total Postage & Fees	
4.6 lbs.	Int'l Alpha Country Code	\$	
	Acceptance Emp. Initials		

FROM: (PLEASE PRINT) PHONE ( )

Stephen D GAY  
18336 Peninsula Club  
Cornelius, NC 28031

RECEIVED  
MAY 23

TO: (PLEASE PRINT) PHONE ( )

2012 BMC Group Inc.  
BMC GROUP ATTN: Cliff Climb Processing  
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Chanhassen, MN

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