

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

PROOF OF CLAIM



Your Claim is Scheduled As Follows:
Schedule/Claim ID: s15215
AMOUNT/CLASSIFICATION:
\$73,531,505.00 SECURED
UNKNOWN UNSECURED

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)

Name and address where notices should be sent:
29347866901240
Wells Fargo Bank, NA as Indenture Trustee for Noteholders
c/o Daniel S. Bleck, Esq.
Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, PC
One Financial Center
Boston, MA 02111

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MAY 31 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 (617) 542-6000 email: dbleck@mintz.com

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 \$ See Addendum

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: See Addendum
(See instruction #2)

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: \$ Unknown

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

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

Basis for Perfection: See Addendum

Amount of Secured Claim: \$ See Addendum

Amount Unsecured: \$ See Addendum

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: See Addendum

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: Michael G. Slade
 Title: Vice President
 Company: Wells Fargo Bank, NA as Indenture Trustee
 Address and telephone number (if different from notice address above):
625 Marquette Avenue, 11th Floor
Minneapolis, MN 55479


 (Signature)

5/28/12
 (Date)

Telephone number: 612-667-1984 email: michael.g.slade@wellsfargo.com

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 |

Addendum to Proof of Claim
(Claim of Wells Fargo Bank, National Association as Indenture Trustee

In re The Cliffs at Mountain Park Golf & Country Club, LLC, Case No. 12-1225)

Wells Fargo Bank, National Association, as Indenture Trustee in its capacity as indenture trustee and collateral trustee (the "Indenture Trustee") for the holders of certain Notes (as defined below) (the "Notes") submits this addendum to its proof of claim against debtor, The Cliffs at Mountain Park Golf & Country Club, LLC (the "Debtor"; and collectively with the other debtors in these chapter 11 cases, the "Debtors") As of the date the Debtors' Chapter 11 cases were filed, the claims described herein (the "Note Claim") totaled not less than \$74,777,999.75. This amount includes pre-petition principal, interest and expenses of the Indenture Trustee. It does not include any post-petition amounts. Further, as noted below, this amount also does not include any dues credits, or initiation or membership deposits, to which individual holders of the Notes may be entitled. The Indenture Trustee reserves any and all rights to amend this claim.

The Notes

The Notes were issued in the aggregate principal amount of \$64,050,000 pursuant to that certain Indenture dated April 30, 2010 (the "Indenture") between The Cliffs Club & Hospitality Group, Inc., certain Guarantors (the "Guarantors") including the Debtor, and the Indenture Trustee. Under the Indenture, there are two series of Notes, the Series A Notes (the "Series A Notes") which were issued in the original principal amount of \$39,800,000 and the Series B Notes (the "Series B Notes" and with the Series A Notes, the "Notes") which were issued in the original principal amount of \$24,250,000. The obligations evidenced by the Notes and any of the other Note Documents (as defined below) are referred to herein as the "Note Obligations".

Documents Supporting Claim.

The documents supporting the Note Claim are too voluminous to attach to the Indenture Trustee's proof of claim. The Indenture Trustee believes the Debtors have a full set of the documents relating to the Indenture Trustee's claim and, upon written request to counsel to the Indenture Trustee at the address included in this claim, the Indenture Trustee will make available copies of supporting documents.

The Note Claim is principally based on various documents that relate to Debtors' agreements to borrow the proceeds of the Notes, and to make payments of principal, interest, premium, if any, and other costs, fees and expenses associated with the Notes. These documents also form the secured basis of the Indenture Trustee's Note Claim, and include, without limitation, the Indenture, a Pledge and Security Agreement dated as of April 30 2010 (the "Pledge and Security Agreement"), certain mortgages, deeds of trust, and leasehold mortgages as applicable (collectively, the "Mortgages"), and the Trust Agreement dated April 30, 2010 (the "Collateral Trust Agreement"). Collectively, the Indenture, the Notes, the Pledge and Security Agreement, the Mortgages, the Collateral Trust Agreement, and any other documents related to the Notes are referred to herein as the "Note Documents".

Payment of the Note Obligations was guaranteed jointly and severally by James B. Anthony, individually, and each of the Guarantors, pursuant to Article X of the Indenture. For the reason that each of the Debtors is obligated on the Note Documents, the Indenture Trustee has filed a claim against each of the Debtors asserting the full amount owed as of the Petition Date under the Note Documents.

Amount of and Security for the Indenture Trustee's Claim.

The Debtors commenced their Chapter 11 Bankruptcy Cases on February 28, 2012 (the "Petition Date"). The liquidated amounts owing by the Debtor to the Indenture Trustee as of the Petition Date total not less than \$74,777,999.75 comprised of the following:

| | |
|--|------------------------------|
| Principal on Series A Note | \$39,800,000 |
| Interest on Series A Note | \$5,891,708 |
| Principal on Series B Note | \$24,250,000 |
| Interest on Series B Note | \$3,589,797 |
| Pre-Petition Fees and Expenses of the Indenture Trustee (including professional fees and expenses) | \$1,246,494.75 |
| Total: | <hr/> \$74,777,999.75 |

In addition to these amounts, the Debtor is liable for all other pre-petition costs of collection including, but not limited to other fees and expenses, all as more fully set forth and described in the Note Documents.

The Indenture Trustee asserts the right to recover post-petition amounts due, including, without limitation, principal, interest, premium, fees, costs and charges, which amounts are currently unliquidated and continue to accrue, and the right to assert any additional claims including unsecured claims, administrative expense claims, priority and/or super-priority claims pursuant to, inter alia, Bankruptcy Code §§ 365, 507(a)(2) and 503(b)(3) and 503(b)(5), and/or as further set forth in the Final Order (I) Authorizing Use of Cash Collateral, and (II) Providing Adequate Protection dated March 5, 2012 (the "Cash Collateral Order").

The Indenture Trustee's claim is secured as set forth in the Note Documents and in the Cash Collateral Order. The Indenture Trustee's claim is additionally secured, among other

things, by (i) setoff rights, all of which the Indenture Trustee expressly reserves; and (ii) the obligations owed under the Note Documents. The Indenture Trustee demands that all monies or other property payable or deliverable on account of the claims of the Notes be delivered to it for distribution pursuant to the terms of the Note Documents. Without waiving the Indenture Trustee's rights under Bankruptcy Code § 1111(b)(2), the claims asserted in this claim are secured to the extent of the value of this security and unsecured for a deficiency, if any.

Cash Collateral Order

The Cash Collateral Order was a conclusive and binding determination on all parties of (i) the amount of the Note Claim, and (ii) that the Indenture Trustee's security interests were duly perfected and are in all respects valid and enforceable first priority security interests and liens and not subject to any claim under Bankruptcy Code Sections 506(c) and 552(b).

Additional Terms, Conditions

Holders of the Notes in their individual capacities may have separate claims against the Debtor that are not included in this Proof of Claim and this Proof of Claim shall be without prejudice to such separate claims. An example of such claims – although not the only example of such claims – is that each holder of a Note provided a membership or initiation deposit when such holder joined the clubs (the "Membership/Initiation Deposit Obligations"). While this Proof of Claim does not include the Membership/Initiation Deposit Obligations, the Note Documents secured such obligations. In its schedules, the Debtors listed the Membership/Initiation Deposit Obligations as being unsecured. The Indenture Trustee and the Debtors filed a stipulation with the Court [Docket No. 347] whereby the individual holders of the Notes were not required to file proofs of claim to assert the secured status of such claims, with each of the Indenture Trustee and the Debtors reserving rights to file a motion before the Court

prior to confirmation of a plan of reorganization in these cases to determine the secured nature of such claims.

The Indenture Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of fixing the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect, including but not limited to the secured nature of the Membership/Initiation Deposit Obligations.

This Proof of Claim is made without prejudice to the filing by the Indenture Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Indenture Trustee, including, but not limited to any claim arising any judgment entered in connection with the Note Documents.

By executing and filing this Proof of Claim, the Indenture Trustee does not waive any right to any security, claim, or any other right or rights with respect to all claims it has or may have against the Debtor or any other person or persons. The filing of this Proof of Claim is not intended and should not be construed to be an election of remedies or waiver of any past, present or future defaults or events of default under the Note Documents. Nothing herein is intended to prejudice any rights and remedies under any post petition agreements to which the Debtor and the Indenture Trustee are parties.

The Indenture Trustee submits itself to the jurisdiction of the United States District Court for the District of South Carolina and, to the extent the United States Bankruptcy Court for the District of South Carolina may constitutionally exercise the powers of the District Court, to the Bankruptcy Court solely for the purpose of the resolution of the claims set forth herein. The Indenture Trustee objects to the exercise of jurisdiction by the District Court or the Bankruptcy Court over the Indenture Trustee or over any cases or controversies concerning the Indenture

Trustee for any other purpose. The Indenture Trustee hereby demands trial by jury on all issues so triable.

**WELLS
FARGO**

*Wells Fargo Bank, N.A.
Corporate Trust Services
Special Accounts Group
MAC N9311-115
625 Marquette Avenue
Minneapolis, MN 55479*

May 29, 2012

VIA EXPRESS MAIL COURIER

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

Re: The Cliffs Club & Hospitality Group, Inc., et al
Chapter 11 Case No. 12-01220

Dear Madam or Sir:

Enclosed for filing in the above-referenced matter, please find an original and copy of twenty-two (22) proofs of claim filed on behalf of Wells Fargo Bank, National Association, as Indenture Trustee. For each of the eleven (11) debtors in these cases¹ there are two claims – one relating to certain Notes (as defined in each proof of claim) and one relating to a Bridge Loan (as defined in each such proof of claim).

Please date stamp each of the twenty-two (22) copies and return the same in the enclosed self-addressed pre-paid envelope. Thank you for your attention to this matter.

Very truly yours,



Michael G. Slade

Enclosure

cc: Daniel S. Bleck, Esq.

¹ The eleven debtors are as follows: The Cliffs Club & Hospitality Group, Inc. (Case No. 12-1220); CCHG Holdings, Inc. (Case No. 12-1223); The Cliffs at Mountain Park Golf & Country Club, LLC (Case No. 12-1225); The Cliffs at Keowee Vineyards Golf & Country Club, LLC (Case No. 12-1226); The Cliffs at Walnut Cove Golf & Country Club, LLC (Case No. 12-1227); The Cliffs at Keowee Falls Golf & Country Club, LLC (Case No. 12-1229); The Cliffs at Keowee Springs Golf & Country Club, LLC (Case No. 12-1230); The Cliffs at High Carolina Golf & Country Club, LLC (Case No. 12-1231); The Cliffs at Glassy Golf & Country Club, LLC (Case No. 12-1234); The Cliffs Valley Golf & Country Club, LLC (Case No. 12-1236); and Cliffs Club & Hospitality Service Company, LLC (Case No. 12-1237).

From: (612) 316-0856
SARAH HENKE
WELLS FARGO-CORP TRUST
625 MARQUETTE AVE
N9311-115 FL 11
MINNEAPOLIS, MN 55402

Origin ID: MICA



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Ship Date: 30MAY12
ActWgt: 2.0 LB
CAD: 101838280/WSX12600

Delivery Address Bar Code



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MAY 31 2012

BMC GROUP

SHIP TO: (952) 404-5700 **BILL SENDER**
CLIFFS CLAIM PROCESSING
BMC GROUP, INC.
18675 LAKE DR E

CHANHASSEN, MN 55317

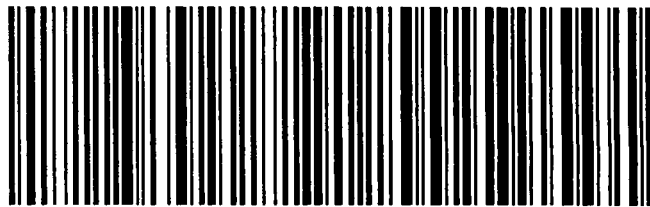
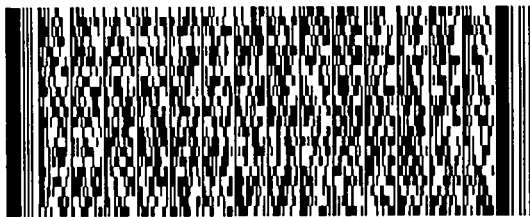
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Invoice #
PO #
Dept #

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PRIORITY OVERNIGHT

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