

B 10 (Official Form 10) (12/11)

UNITED STATES BANKRUPTCY COURT District of South Carolina		PROOF OF CLAIM
Name of Debtor: The Cliffs Club & Hospitality Group, Inc.,		Case Number: 12-01220
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): PNC Equipment Finance, LLC		COURT USE ONLY
Name and address where notices should be sent: PNC Equipment Finance, LLC attn: Nikki Tierney 995 Dalton Avenue Cincinnati, OH 45203 Telephone number: (513) 455-2639 email: nicole.tierney@pnc.com		<div style="text-align: center; font-weight: bold; font-size: 1.2em;">RECEIVED</div> <div style="text-align: center; font-weight: bold; font-size: 1.5em;">MAY 31 2012</div> <div style="text-align: center; font-weight: bold; font-size: 1.2em;">BMC GROUP</div> <input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where payment should be sent (if different from above): Telephone number: _____ email: _____		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
1. Amount of Claim as of Date Case Filed: \$ <u>2,512.63</u>		
If all or part of the claim is secured, complete item 4.		
If all or part of the claim is entitled to priority, complete item 5.		
<input checked="" type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: <u>Equipment Lease</u> (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor: 7 0 0 0	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 the claim is secured by a lien on property or a right of setoff; attach required redacted documents, and provide the requested information.		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____
Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____		Basis for perfection: _____
Value of Property: \$ _____		Amount of Secured Claim: \$ _____
Annual Interest Rate _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		Amount Unsecured: \$ _____
5. Amount of Claim Entitled to 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 priority and state the amount.		
<input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).	<input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).	<input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).
<input type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).	<input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).	<input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(____).
		Amount entitled to priority: \$ _____
*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)		



B 10 (Official Form 10) (12/11)

2

7. Documents: Attached are redacted copies of any 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 the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

8. Signature: (See instruction #8)

Check the appropriate box.

- I am the creditor. I am the creditor's authorized agent. I am the trustee, or the debtor, or their authorized agent. I am a guarantor, surety, indorser, or other codebtor.
- (Attach copy of power of attorney, if any.) (See Bankruptcy Rule 3004.) (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: Nicole Tierney
 Title: EF-Recovery Specialist
 Company: PNC Equipment Finance, LLC
 Address and telephone number (if different from notice address above):

Nicole Tierney 5/16/12
 (Signature) (Date)

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.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:

Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:

Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a).

If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

8. Date and Signature:

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, attach a complete copy of any power of attorney, and provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

B 10 (Official Form 10) (12/11)

3

DEFINITIONS

INFORMATION

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506 (a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507 (a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.



ACCOUNT BALANCE ASSESSMENT

Account Name:	The Cliffs Communities, Inc.
Customer Number:	5917
Lease Number:	7000

BALANCE DETAILS

All/Future Invoices(s)	11	@	\$228.33	\$	2,511.63
Purchase Option	1	@	\$1.00	\$	1.00
Total Account Balance				\$	2,512.63

PREPARED BY: Nikki Tierney
DATE PREPARED: 5/16/12 3:24 PM

Lease Agreement

National City

GOLF FINANCE

A division of National City Commercial Capital Company, LLC

696 Dalton Avenue • Cincinnati, OH 45203

With Questions call: (800) 263-9499 FAX TO: (888) 888-3886

For Office Use Only

Lease Number: 7000

Rental Commencement Date: 7-1-09

Lessee Information

Lessee's Full Legal Name
Cliffs Communities, Inc. The

Street Address
3598 Hwy 11 Greenville County Travelers Rest, SC 28680

Location of Equipment
3598 Hwy 11 Greenville County Travelers Rest, SC 28690

Equipment

See Schedule A for Equipment List

Initial Term of Lease (Months)

36

End of Lease Options: Lessee shall have the following options at the end of the Initial Term, provided the Lease has not terminated early and no event of default under the Lease has occurred and is continuing: 1) Purchase the equipment for \$1.00.

Amount of Each Rental Payment:
\$228.33, including applicable taxes.

Payment on invoice could be different based on applicability of sales and use tax.

Payment Period: Monthly Quarterly Other

PRORATED RENTS WILL BE DUE FROM THE DATE OF DELIVERY UNTIL THE RENTAL COMMENCEMENT DATE.

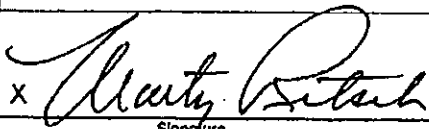

Advance Payments

First

Security Deposits will be refunded upon expiration of the Lease provided Lessee is not in default of any of the terms and conditions of the Lease.

Terms & Conditions

1. By signing this Lease, Lessee acknowledges and agrees that: it has read and understands the TERMS AND CONDITIONS OF THIS LEASE; this Lease becomes effective only upon written acceptance by an authorized employee of Lessor; this is a net lease; it cannot terminate or cancel this Lease; it has an UNCONDITIONAL OBLIGATION to make all payments due under this Lease; it cannot withhold, set off or reduce such payments for any reason; it will use the Equipment only for business purposes; the person signing this Lease has the authority to do so and to grant the POWER OF ATTORNEY set forth in paragraph 12 herein; it entered into this Lease rather than purchase the Equipment. THIS LEASE SHALL BE GOVERNED BY THE LAWS OF THE STATE OF OHIO; AND TO THE EXCLUSIVE JURISDICTION OF ANY COURT LOCATED IN THE STATE OF OHIO. YOU EXPRESSLY WAIVE ANY RIGHT TO A TRIAL BY JURY.

Lessee: Cliffs Communities, Inc. The	Lessor: National City Golf Finance, a division of National City Commercial Capital Company, LLC
	
Signature	Signature
Print Name: <u>MARTY RITICH</u>	Print Name: <u>JAMES DELLER</u>
Title: <u>TREASURER</u>	Title: <u>VP</u>
Date: <u>6-9-09</u>	Date: <u>6/23/09</u>

THIS LEASE IS NON-CANCELABLE

REST OF PAGE INTENTIONALLY LEFT BLANK

2. **LEASE.** Lessee agrees to lease from Lessor the Equipment or if separately scheduled, the Equipment identified on Schedule A attached and made a part of this Lease.

3. **NO WARRANTIES. LESSOR IS LEASING THE EQUIPMENT TO THE LESSEE "AS-IS." LESSEE ACKNOWLEDGES THAT THE LESSOR DOES NOT MANUFACTURE THE EQUIPMENT, LESSOR DOES NOT REPRESENT THE MANUFACTURER OR THE SUPPLIER, AND LESSEE HAS SELECTED THE EQUIPMENT AND SUPPLIER BASED UPON LESSEE'S OWN JUDGMENT. LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, NOR WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE. LESSEE AGREES THAT REGARDLESS OF CAUSE, LESSOR IS NOT RESPONSIBLE FOR AND LESSEE WILL NOT MAKE ANY CLAIM AGAINST LESSOR FOR ANY DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL, OR INDIRECT. LESSEE AGREES THAT NEITHER SUPPLIER NOR ANY SALESPERSON, EMPLOYEE OR AGENT OF SUPPLIER IS LESSOR'S AGENT OR HAS ANY AUTHORITY TO SPEAK FOR LESSOR OR TO BIND LESSOR IN ANY WAY. LESSOR TRANSFERS TO LESSEE FOR THE TERM OF THIS LEASE ANY WARRANTIES MADE BY THE MANUFACTURER OR SUPPLIER UNDER A SUPPLY CONTRACT.**

4. **ORDERING EQUIPMENT, DELIVERY AND ACCEPTANCE.** If Lessee entered into any purchase or supply contract with any supplier, Lessee assigns to Lessor Lessee's rights under the supply contract, but none of Lessee's obligations, except for the obligation to pay for Equipment if it is accepted by Lessee according to the terms of this Lease. If Lessee has not entered into a supply contract, Lessee authorizes Lessor to enter into a supply contract. Lessee shall arrange for the delivery of the Equipment to Lessee. Lessee shall inspect the Equipment immediately upon Lessee's receipt of the Equipment to determine if it is in good working condition. The Equipment will be deemed irrevocably accepted by Lessee upon the earlier of: (i) the date of delivery of the Equipment to Lessee unless Lessee notifies Lessor in writing, within 10 days after equipment delivery, of Lessee's non-acceptance or (ii) the delivery to Lessor of a signed Certificate of Acceptance of Leased Equipment if requested by Lessor ("Acceptance Date").

5. **TERMINATION BY LESSOR.** Lessor shall have the exclusive option to terminate this Lease if within 90 days after Lessee has signed this Lease, the Equipment has not been delivered to Lessee, or Lessee has not accepted the Equipment as provided in paragraph 4.

6. **TERM AND RENT.** The term of this Lease commences upon the date on which the Equipment is delivered to Lessee (whether or not accepted) and ends upon the expiration of the number of months specified on the front of this Lease under "Initial Term of Lease" after the Rental Commencement Date. Lessee authorizes Lessor to insert in this Lease as "Rental Commencement Date" the date when the Equipment is delivered to Lessee or any later date selected by Lessor. The Lessee shall pay as rent either: (i) the Total Lease Payment indicated on the front of this Lease or (ii) if applicable, the amounts as shown on the Payment Schedule, plus applicable taxes ("Rent"). The first lease payment is due on the Rental Commencement Date, and each remaining periodic lease payment is due on the same day of each payment period thereafter for the initial term of lease. Additionally, Lessee shall, upon demand, pay, as Rent, daily interim rent, on all Equipment subject to this Lease, for the period from the date of delivery of Equipment (or any part thereof) to and including the day immediately preceding the Rental Commencement Date. The daily rent will be calculated on a 360 day year. No portion of any lease payments shall be deemed to constitute payment for any equity interest in the Equipment. If any payment due under this Lease is not paid within 5 days of its due date, Lessee shall pay Lessor a late charge not to exceed 10% of each late payment (or such lesser rate as is the maximum rate allowed by applicable law). Lessee authorizes Lessor to insert in this Lease as "Tax on Lease Payment" and "Total Lease Payment" the appropriate amounts when same are determined by Lessor.

7. **EXCESS USAGE AND SUPPLEMENTAL LEASES.** (Applicable to Turf Care and Maintenance Equipment Only): At the end of the Initial Term of Lease, Lessee shall pay as Rent to Lessor \$5.00 per hour on each item of Equipment for each hour of use in excess of 800 hours per year. Lessee shall pay such supplemental lease payment within ten (10) days of Lessor's written demand. The hours of use of an item of Equipment shall be determined by the hour meter attached to said item of Equipment. If any such hour meter becomes inoperable or inaccurate, Lessee shall immediately repair or replace same, and shall immediately notify Lessor in writing of such event and of the correct hours of usage for the Equipment during the period of time the hour meter was inoperable or inaccurate. Lessee shall promptly furnish Lessor such information as Lessor may reasonably request from time to time in order to document the hours of usage of the Equipment.

8. **EQUIPMENT LOCATION; USE AND REPAIR; RETURN.** Lessee will keep and use the Equipment only at the Equipment Location shown on the front of this Lease. Lessee may not move the Equipment without Lessor's prior written consent. At Lessee's own cost and expense, Lessee will keep the Equipment eligible for any manufacturer's certification, in compliance with all applicable laws and in good condition, except for ordinary wear and tear. Lessee will not make any alterations, additions or replacement to the Equipment without Lessor's prior written consent. All alterations, additions and replacements will become part of the Equipment and Lessor's property at no cost or expense to Lessor. Lessor may inspect the Equipment at any reasonable time.

9. **TAXES.** Lessee shall promptly reimburse Lessor for, or shall pay directly if so requested by Lessor, as additional Rent, all taxes, charges and fees which may now or hereafter be imposed or levied by any governmental body or agency upon or in connection with the purchase, ownership, lease, possession, use, location or relocation of the Equipment, or otherwise in connection with the transactions contemplated by the Lease, excluding, however, all taxes on or measured by the net income of Lessor. Lessee agrees to reimburse Lessor for all personal property taxes immediately upon receipt of Lessor's invoice including without limitation such taxes assessed or arising during the term of this Lease but remitted by Lessor after the termination of this Lease. At Lessor's option, Lessee agrees to remit, along with Lessee's lease payments under this Lease, an amount equal to a percentage of Lessor's reasonable estimate of the personal property taxes that will be assessable against the Equipment. Any such amounts remitted to Lessor will be credited by Lessor against Lessee's obligations under this paragraph. Lessee will remain obligated in the event that such amounts are insufficient to fully reimburse Lessor the actual amount of such taxes and any surplus will be either credited to Lessee's other obligations to Lessor or returned to Lessee. If requested, Lessee agrees to file promptly on behalf of Lessor all requested tax returns and reports concerning the Equipment in form satisfactory to Lessor, with all appropriate governmental agencies and to mail a copy to Lessor concurrently with the filing thereof. Lessee further agrees to keep or cause to be kept and made available to Lessor any and all necessary records relevant to the use of the Equipment and aforesaid taxes, assessments and other governmental charges.

10. **PURCHASE OPTION.** Lessor hereby acknowledges that Lessee shall purchase the equipment described for one dollar (\$1.00) at lease expiration. In order to exercise the \$1.00 buyout, Lessee must not be in default under any of the provisions of the Lease. Lessee shall file, as party responsible for payment of personal property tax. Lessee shall promptly pay in full for all property taxes levied on or assessed against the Equipment during the Initial Term and all renewals and extensions. Lessee shall provide proof of said filing or payment to Lessor upon request.

11. **LOSS OR DAMAGE.** Lessee shall bear all risk of loss associated with an item of Equipment, including the theft, destruction, or damage. No such loss shall relieve Lessee from any of its obligations under this Lease. In the event of any loss with respect to particular Equipment, Lessee shall either: (a) place such Equipment in good repair, condition and working order, (b) replace such Equipment with like equipment (of the same year, make, model and accessories) in good repair, condition and working order, or (c) pay to the Lessor the Stipulated Loss Value of such Equipment. The "Stipulated Loss Value" for particular Equipment shall be an amount equal to: (i) the total of all Rent and any other amounts, if any, due with respect to such Equipment as of the date of payment of the Stipulated Loss Value, plus (ii) all future Rent with respect to such Equipment, plus (iii) the then estimated FMV of such Equipment as of the end of the Initial Term of Lease for such Equipment (assuming no loss or damage).

12. **INSURANCE.** Lessee shall keep in effect an "All Risk (or broad form of)" extended coverage property insurance policy covering the Equipment for its full replacement value or at a minimum, the stipulated loss value. Lessee shall also carry a comprehensive general liability insurance policy or other similar form of third party liability coverage with combined single limits of \$1,000,000 per occurrence and \$2,000,000 in aggregate limits. Such policies shall be in form, amount and with insurers acceptable to Lessor. The property insurance policy shall name Lessor and its assigns as Loss Payee and the general liability insurance policy shall name Lessor and its assigns as an Additional Insured. Each policy shall provide: (a) for no less than thirty (30) days prior written notice of cancellation or non-renewal to Lessor, and (b) that such policy shall not be invalidated as against Lessor or its assigns for the violation of any term of the policy by Lessee. Lessee appoints Lessor as Lessee's attorney-in-fact to request required insurance coverages, make claims, receive payments and execute and endorse all documents, checks, drafts or other instruments necessary or advisable to secure payments due under any policy contemplated hereby. The foregoing shall not relieve Lessee from its obligations to procure the insurance policies required herein, to make timely insurance claims and to otherwise cooperate with insurance carriers and Lessor in seeking insurance coverage and recoveries in connection with the Equipment. Proceeds from any general liability policy shall be made payable first on behalf of the Lessor to the extent of its liability, if any. All policies of insurance carried by Lessee, whether primary or excess, shall be primary as to any policies maintained by Lessor.

If Lessee fails to maintain the required insurance on the Equipment, or provide proof of same to Lessor, Lessor may at its sole discretion, but shall not be obligated to, obtain insurance to protect Lessor's interest in the Equipment. Lessee agrees to pay Lessor for all costs and expenses which Lessor pays or incurs as a result of Lessee's failure to maintain insurance. Without limitation, Lessee specifically agrees that it will pay the monthly insurance charge, as requested by Lessor at the time payment is due. The insurance charge may include, but not be limited to, the insurance premium paid by Lessor; finance charges on the premium (which may be higher than the rate used to determine Lessee's Equipment rental amount); tracking fees; fees for billing and collecting the insurance premium and related charges; administrative fees; and, other fees resulting from the failure to maintain insurance on the Equipment. Lessee acknowledges that Lessor may keep some or all of these insurance charges, including the billing, tracking and other fees; the finance charges; commissions or reinsurance premiums paid to Lessor or an affiliate of Lessor; and, a profit included in any of these charges. Lessee agrees that the premium and insurance charges assessed by Lessor are likely to be higher than the amounts Lessee would pay to maintain insurance on the Equipment as agreed in this Lease. Lessor's election to obtain insurance to protect the Equipment shall not constitute a waiver of Lessee's breach of its insurance obligations, and Lessor reserves all other remedies provided under this Lease or applicable law.

13. TITLE. Lessor is the owner of and will hold title to the Equipment. Lessee will keep the Equipment free of all liens and encumbrances. If this transaction is deemed to be a lease intended for security, Lessee grants Lessor a purchase money security interest in the Equipment (including any replacements, substitutions, additions, attachments and proceeds).

14. DEFAULT. Each of the following is a "Default" under this Lease: (i) Lessee fails to pay any Lease Payment or any other payment within 5 days of its due date; (ii) Lessee does not perform any of Lessee's other obligations under this Lease or in any other agreement with Lessor; (iii) Lessee or guarantor becomes insolvent, dissolves, or assigns its assets for the benefit of creditors, or enters any bankruptcy or reorganization proceeding; (iv) any guarantor of this Lease dies, or does not perform its obligations under the guaranty; or (v) Lessee undergoes a change in ownership or control of any type, that in the Lessor's judgment, results in a deterioration of Lessee's creditworthiness.

15. REMEDIES. If a Default occurs, Lessor may do one or more of the following: (i) Lessor may cancel or terminate this Lease or any other agreement that Lessor has entered into with Lessee; (ii) Lessor may require Lessee to immediately pay Lessor, as compensation for loss of Lessor's bargain and not as a penalty, a sum equal to the Stipulated Loss Value; (iii) Lessor may require Lessee to immediately deliver the Equipment to Lessor at Lessee's expense; (iv) Lessor or its agent may peacefully repossess the Equipment without court order and Lessee will not make any claims against Lessor for damages or trespass or any other reason; and (v) Lessor may exercise any other right or remedy available at law or in equity. Lessee agrees to pay all of Lessor's costs of enforcing Lessor's rights against Lessee, including reasonable attorney's fees. If Lessor takes possession of the Equipment, Lessor may sell or otherwise dispose of it with or without notice, at a public or private sale, and apply the net proceeds (after deducting all costs related to the sale or disposition of the Equipment) to the amounts that Lessee owes Lessor. Lessee agrees that if notice of sale is required by law to be given, 10 days notice shall constitute reasonable notice. Lessee will remain responsible for any amounts that are due after Lessor has applied such net proceeds.

16. PERFORMANCE OF LESSEE'S OBLIGATIONS BY LESSOR. If Lessee fails to make any payment or perform any act or obligation required hereunder, Lessor may, but need not, make such payment or perform such act or obligation at the expense of Lessee. Any such expense incurred by Lessor shall constitute additional Rent due hereunder and shall be payable by Lessee to Lessor upon demand. Such action by Lessor shall not be deemed a cure or waiver of any default by Lessee.

17. FINANCE LEASE STATUS. Lessee agrees that if Article 2A-Leases of the Uniform Commercial Code applies to this Lease, this Lease will be considered a "finance lease" as that term is defined in Article 2A. By signing this Lease, Lessee agrees that either (a) Lessee has reviewed, approved, and received, a copy of the Supply Contract or (b) that Lessor has informed Lessee of the identity of the Supplier, that Lessee may have rights under the Supply Contract, and that Lessee may contact the Supplier for a description of those rights. TO THE EXTENT PERMITTED BY APPLICABLE LAW, LESSEE WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A.

18. ASSIGNMENT. LESSEE MAY NOT ASSIGN, SELL, TRANSFER OR SUBLEASE THE EQUIPMENT OR LESSEE'S INTEREST IN THIS LEASE. Lessor may, without notifying Lessee, sell, assign, or transfer this Lease or its rights in the Equipment. Lessee agrees that the new owner will have the same rights and benefits that Lessor has now under this Lease but not Lessor's obligations. The rights of the new owner will not be subject to any claim, defense or set-off that Lessee may have against Lessor.

19. INDEMNITY. Lessee assumes the risk of liability arising from possession, operation, or use of the Equipment. Lessee shall indemnify, defend and hold harmless the Lessor from any and all claims, costs, taxes, expenses, damages, and liabilities arising from or pertaining to the use, possession, or operation of the Equipment.

20. CREDIT INFORMATION. Lessee authorizes Lessor and its agents to obtain credit bureau reports and make other credit inquiries that Lessor determines necessary. Upon Lessee's written request, Lessor will inform Lessee whether Lessor has requested a consumer credit report and the name and address of any consumer credit reporting agency that furnished a report. Lessee acknowledges that without further notice Lessor may use or request additional credit bureau reports to update Lessor information so long as Lessee's obligations to Lessor are outstanding. Lessee shall at Lessor's request, deliver to Lessor, Lessee's future quarterly and annual reports of financial condition, which reports Lessee represents and warrants shall be prepared in accordance with generally accepted Accounting Principles.

21. FURTHER ASSURANCES. Lessee agrees to promptly, at Lessee's expense, deliver such other reasonable documents and assurances, and take such further action as Lessor may request, in order to effectively carry out the intent and purpose of this Lease.

22. REPRESENTATIONS AND WARRANTIES. Lessee represents and warrants to Lessor that: (i) the making of this Lease by Lessee is duly authorized on the part of Lessee and upon execution thereof by Lessee and Lessor they shall constitute valid obligations binding upon, and enforceable against, Lessee; (ii) neither the making of this Lease nor the due performance thereof by Lessee, including the commitment and payment of the Rent, shall result in any breach of, or constitute a default under, or violation of, Lessee's certificate of incorporation, by-laws, or any agreement to which Lessee is a party or by which Lessee is bound; (iii) Lessee is in good standing in the state of incorporation and in any jurisdiction where the Equipment is located, and is entitled to own property and to carry on business therein; and (iv) all financial information provided by Lessee to Lessor is true, accurate and provides a good representation of Lessee's financial condition. If requested, Lessee shall provide Lessor a Certified Copy of its Corporate Resolutions and or a Certificate of Incumbency in the form provided by Lessor or such other form that Lessor deems acceptable.

23. MISCELLANEOUS. Lessee agrees that the terms and conditions contained in this Lease make up the entire agreement between Lessee and Lessor regarding the Lease of Equipment. The declaration of invalidity of any provision of this Lease and/or Guaranty shall not affect any part of the remainder of the provisions of this Lease and Guaranty. Any change in any of the terms and conditions of this Lease must be in writing and signed by Lessor. Lessee agrees however, that Lessor is authorized, without notice to Lessee, to insert the Lease Number, and to supply missing information or to correct obvious errors in this Lease. Lessee authorizes Lessor to adjust the Amount of Each Lease Payment by not more than 15% if either (i) the final Total Cash Price (which is all amounts Lessor has paid in connection with the purchase, delivery and installation of the Equipment, including any upgrade and buyout amounts) differs from the estimated Total Cash Price, or (ii) comparable U.S. Treasury Note yields increase between the date Lessee signs this Lease and the Acceptance Date. Lessor shall not be obligated to purchase the Equipment if the actual Total Cash Price varies more than 15% from the Total Cash Price listed above. If Lessor delays or fails to enforce any of Lessor rights under this Lease, Lessor will still be entitled to enforce those rights at a later time. All notices shall be given in writing by the party sending the notice and shall be effective when deposited in the U.S. Mail or a nationally recognized overnight delivery service, addressed to the party receiving the notice at its address shown on the front of this Lease (or to any other address specified by that party in writing) with postage prepaid. All of Lessor's right and remedies shall survive and remain in full force and effect and be enforceable after the expiration or termination of the Lease for any reason. It is the express intent of the parties not to violate any applicable usury laws or to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable law, and any such excess payment will be applied to Rent in inverse order to maturity, and any remaining excess will be refunded to Lessee if more than one Lessee has signed this Lease each of the Lessees agree that Lessee's liability is joint and several. LESSEE FURTHER AGREES TO PAY LESSOR AN ORIGINATION FEE ON THE DATE THE FIRST LEASE PAYMENT IS DUE TO COVER THE EXPENSES OF ORIGINATING THIS LEASE

National City
GOLF FINANCE


886 Dalton Avenue • Cincinnati, OH 45203
With Questions call: (800) 263-9499
FAX TO: (888) 888-3695

Lease Number: 7000

Schedule A (Equipment)

Qty	Equipment	Serial #
Quantity	Description	Serial No.
1	Z400 21hp Kawasaki w/52" gauge deck	
1	SAST SC, Greenville, Travelers Rest	

Lessee has reviewed the above list of equipment, and agrees the equipment on this Schedule A (Equipment) is accurate and complete.

Lessee (Initial) 

National City.
GOLF FINANCE

CERTIFICATE OF ACCEPTANCE

Lease Number: '000

In compliance with the terms, conditions and provisions of Lease Agreement Number dated 6/10/09

("Lease") by and between the undersigned ("Lessee") and National City Golf Finance, a division of National City Commercial Capital Company, LLC ("Lessor"), Lessee hereby:

- a) certifies and warrants that all Equipment described in the above-referenced Schedule A or the Lease Agreement ("Equipment") is delivered, inspected and fully installed, and operational as of the Acceptance Date as indicated below;
- b) accepts all the Equipment for all purposes under the Lease and all attendant documents as of this 09 day of JUNE (month), 2009 ("Acceptance Date"); and
- c) restates and reaffirms, as of such Acceptance Date, each of the representations, warranties and covenants heretofore given to Lessor in the Lease.

X [Handwritten Signature]

Signature

TREASURER

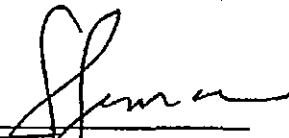
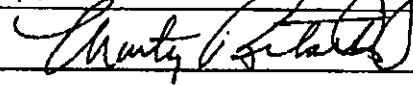
Title

Lessor is hereby authorized to insert serial numbers on the Lease Agreement,

CERTIFICATE OF INCUMBENCY

The undersigned, duly elected and acting as Corporate Secretary or Assistant Secretary of Cliffs Communities, Inc. The ("Lessee") hereby certifies:

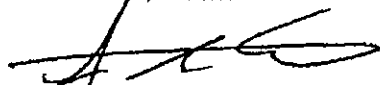
1. That he/she has the power and authority to execute this Certificate of Incumbency on behalf of Lessee.
2. That the following named person(s) are authorized representatives of the Lessee in the capacity set forth opposite each of their names and that each of their signatures are genuine and correct.
3. That, as of the date hereof, the following named person(s) each have proper corporate power and authority to execute and deliver any Lease Agreement between Lessee and National City Golf Finance, a division of National City Commercial Capital Company, LLC, any Lease Schedules pursuant thereto and any other related documents.

<u>Name (print)</u>	<u>Title</u>	<u>Signature</u>
STEVE SEMAN	DIRECTOR OF PROCUREMENT	
MARTY RITSCH	TREASURER	

NOTE: THE CORPORATE SECRETARY OR ASSISTANT SECRETARY OF THE ORGANIZATION MUST SIGN THIS CERTIFICATE AUTHORIZING THE SIGNER TO SIGN.

I hereby attest that this information is true and correct as of this 10 day of JUNE, 2009

Lessee
Cliffs Communities, Inc. The



Signature of Corporate Secretary or Assistant Secretary

Steve Seman
Print Name

VP of Development
Title

District of South Carolina Claims Register

12-01220-jw The Cliffs Club & Hospitality Group, Inc.

Chief Judge: John E. Waites

Chapter: 11

Office: Spartanburg

Last Date to file claims:

Trustee:

Last Date to file (Govt): 08/27/2012

Creditor: (542005326)
PNC Equipment Finance, LLC
fka National City Commercial
Capital, Co
995 Dalton Avenue
Cincinnati, OH 45203

Claim No: 18
Original Filed
Date: 05/29/2012
Original Entered
Date: 05/29/2012

Status:
Filed by: CR
Entered by: National City
Commercial Capital
Company, LLC
Modified:

Amount claimed: \$2512.63

History:

Details 18-1 05/29/2012 Claim #18 filed by PNC Equipment Finance, LLC, Amount claimed: \$2512.63 (National City Commercial Capital Company, LLC)

Description:

Remarks:

Claims Register Summary

Case Name: The Cliffs Club & Hospitality Group, Inc.

Case Number: 12-01220-jw

Chapter: 11

Date Filed: 02/28/2012

Total Number Of Claims: 1

Total Amount Claimed*	\$2512.63
Total Amount Allowed*	

*Includes general unsecured claims

The values are reflective of the data entered. Always refer to claim documents for actual amounts.

	Claimed	Allowed
Secured		
Priority		
Administrative		