

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re:	)	CHAPTER 11
The Cliffs Club & Hospitality Group, Inc., et al., ¹ d/b/a The Cliffs Golf & Country Club,	)	Case No. 12-01220-JW
Debtors.	)	Jointly Administered

APPLICATION OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE CLIFFS CLUB & HOSPITALITY GROUP, INC., *ET AL.*, FOR AN ORDER AUTHORIZING AND APPROVING RETENTION AND EMPLOYMENT OF BINGHAM McCUTCHEEN LLP AS COUNSEL, *NUNC PRO TUNC* TO MARCH 7, 2012

The Official Committee of Unsecured Creditors (the “**Committee**”) of The Cliffs Club & Hospitality Group, Inc., *et al.* (collectively, the “**Debtors**”), by and through its undersigned chairman, hereby submits this application (this “**Application**”) for an Order pursuant to sections 328(a) and 1103(a) of title 11 of the United States Code (as amended, the “**Bankruptcy Code**”) and Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) authorizing the Committee to employ and retain Bingham McCutchen LLP (“**Bingham**”), *nunc pro tunc* to March 7, 2012, as lead counsel for the Committee in the Debtors’ chapter 11 cases (the “**Bankruptcy Cases**”).

In support of this Application, the Committee relies on the affidavit of Jonathan B. Alter

¹ The Debtors, followed by the last four digits of their respective taxpayer identification numbers, are as follows: The Cliffs Club & Hospitality Group, Inc. (6338); CCHG Holdings, Inc. (1356); The Cliffs at Mountain Park Golf & Country Club, LLC (2842); The Cliffs at Keowee Vineyards Golf & Country Club, LLC (5319); The Cliffs at Walnut Cove Golf & Country Club, LLC (9879); The Cliffs at Keowee Falls Golf & Country Club, LLC (3230); The Cliffs at Keowee Springs Golf & Country Club, LLC (2898); The Cliffs at High Carolina Golf & Country Club, LLC (4293); The Cliffs at Glassy Golf & Country Club, LLC (6559); The Cliffs Valley Golf & Country Club, LLC (6486); Cliffs Club & Hospitality Service Company, LLC (9665).

attached hereto as Exhibit A (the “**Alter Affidavit**”) and incorporated herein by reference. In further support of this Application, the Committee respectfully represents as follows:

BACKGROUND

1. On February 28, 2012 (the “**Petition Date**”), the Debtors filed their voluntary petitions for relief with this Court under chapter 11 of the Bankruptcy Code.

2. The Debtors continue to operate their businesses and manage their affairs as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Bankruptcy Cases.

3. On March 5, 2012, the United States Trustee for Region 4 (the “**U.S. Trustee**”), pursuant to section 1102(a) of the Bankruptcy Code, appointed the Committee to represent the interests of the Debtors’ unsecured creditors. The U.S. Trustee filed the notice of the Appointment of Committee of Unsecured Creditors on March 5, 2012, and subsequently amended the appointment on March 5, 6, 7, and 12, 2012.² On March 7, 2012, the Committee duly and unanimously selected Bingham to serve as lead counsel to the Committee to represent the Committee in all matters during the pendency of the Bankruptcy Cases. On March 9, 2012, the Committee elected John W. (Jack) Sager to serve as chairman.

JURISDICTION AND VENUE

4. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this

² The Committee members are John W. Sager, Janet D. Hilligoss, TJF Golf, Inc., H. Michael Krimbill, John Mack, Harrell’s, LLC, and Raymond O. Gibson. William M. Clear and William Whisnant, originally appointed by the U.S. Trustee, subsequently resigned.

Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are 11 U.S.C. §§ 328(a) and 1103(a).

RELIEF REQUESTED

5. Pursuant to this Application, the Committee seeks authority to employ and retain Bingham as its counsel, *nunc pro tunc* to March 7, 2012, to perform the legal services that will be necessary during the Bankruptcy Cases.

BASIS FOR RELIEF

6. Pursuant to section 1103(a) of the Bankruptcy Code, a committee appointed under section 1102 of the Bankruptcy Code may, with the Court's approval, "select and authorize the employment by such committee of one or more attorneys, accountants, or other agents to perform services for such committee." 11 U.S.C. § 1103(a).

7. Furthermore, section 328(a) of the Bankruptcy Code provides that a committee may employ or authorize the employment of professionals under section 1103 of the Bankruptcy Code "on any reasonable terms and conditions of employment." 11 U.S.C. § 328(a).

8. Bingham is particularly well suited for the type of representation required by the Committee. Bingham has both a national and international practice, with offices in 14 cities throughout the world, and has experience in all aspects of the law that are likely to arise in the Bankruptcy Cases.

9. Bingham's Financial Restructuring Group is comprised of more than 100 attorneys practicing nationally and internationally. Bingham's attorneys have played significant roles in many of the largest and most complex cases under the Bankruptcy Code,

including the chapter 11 cases of Lehman Brothers Holdings Inc., Visteon Corporation, Refco Capital Markets, Ltd., BearingPoint, Inc., LandAmerica Financial Group, Inc., Woodside Group, LLC, Spansion Inc., Paper International, Inc., Delta Air Lines, Inc., Sea Containers Ltd., Linens Holding Co., Goody's Family Clothing, Inc., Goody's, LLC, Steve & Barry's Manhattan LLC, Complete Retreats, LLC, Asia Global Crossing, NII Holdings (f/k/a Nextel International), Exodus Communications, Comdisco, Inc., Owens Corning, The Singer Company, Loewen Group International, Inc., NextWave Telecom, Inc., Zenith Electronics Corp., Boston Chicken, Inc., Flooring America, Inc., Montgomery Ward Holding Corporation, Hvide Marine, Inc., Bradlees, Inc., Flagstar Companies, Inc. (Advantica Restaurant Group, Inc.), Anchor Glass Container Corporation, Maxwell Communications Corporation, Joseph Nakash, Olympia & York Realty Corporation, The LTV Corporation, Salant Corporation, Federated Department Stores, Inc., Rose's Stores, Inc., R.H. Macy & Company, Imagyn Medical Technologies, Inc., Allis-Chalmers Corp., Pan Am Corp., New Valley Corporation (Western Union), Southeast Banking Corp, Ionosphere Clubs, Inc. (Eastern Air Lines), United Financial Group, Inc., Texaco, Inc., Allied Holdings, Inc., and Heating Oil Partners, L.P., among many others.

10. Of particular relevance to the Bankruptcy Cases, Bingham's chapter 11 committee experience includes serving as counsel to the chapter 11 creditors' committees of Infotelecom, LLC, BearingPoint, Inc., Land America Financial Group, Woodside Group, LLC, Complete Retreats, LLC, Asia Global Crossing, Allied Holdings, Inc., Loewen Group International, Inc., Boston Chicken, Inc., Sharp International, LLS Corp., Derby Cycle, Union Acceptance, NRG Energy and Petroleum Geo-Services, as well as counsel to ad hoc noteholder

committees in the chapter 11 proceedings of Pliant Corporation, Trico Marine Services, Teleglobe and Global TeleSystems.

11. The Committee seeks to retain Bingham as lead Committee counsel because of the firm's extensive bankruptcy and restructuring practices, as described herein.

12. Contemporaneously herewith, the Committee has filed an application to retain John B. Butler III ("**Butler**") as local and conflicts counsel in the Bankruptcy Cases. Bingham and Butler have advised the Committee that they intend to coordinate carefully on activities and will take all necessary and appropriate measures to prevent duplication of effort. Rather than resulting in any extra expense to the Debtors' estates, the Committee anticipates that the efficient coordination of efforts of the Committee's attorneys will greatly add to the progress and effective administration of the Bankruptcy Cases.

SERVICES TO BE RENDERED

13. The Committee anticipates that Bingham will render bankruptcy and restructuring legal services to the Committee as needed throughout the course of the Bankruptcy Cases. The professional services to be rendered to the Committee may include, but shall not be limited to, the following:

- a. providing legal advice with respect to the Committee's rights, powers, and duties in the Bankruptcy Cases;
- b. representing the Committee at all hearings and other proceedings;
- c. advising and assisting in the Committee's discussions with the Debtors and other parties in interest, as well as professionals retained by any such parties, regarding the overall administration of the Bankruptcy Cases;
- d. assisting the Committee in analyzing the claims of the Debtors' creditors and in negotiating with such creditors;

- e. assisting with the Committee's investigation of the assets, liabilities, and financial condition of the Debtors and of the operations of the Debtors' business;
- f. assisting the Committee in its analysis of, and negotiations with, the Debtors or any third party concerning matters related to, among other things, selling the assets of the Debtors, the membership agreements, and formulating the terms of a plan or plans of reorganization for the Debtors;
- g. assisting and advising the Committee with respect to its communications with the general creditor body regarding matters in the Bankruptcy Cases;
- h. reviewing and analyzing all pleadings, orders, statements of operations, schedules, and other legal documents;
- i. preparing on behalf of the Committee all pleadings, orders, reports and other legal documents as may be necessary in furtherance of the Committee's interests and objectives; and
- j. performing all other legal services for the Committee that may be necessary and proper to facilitate the discharge by the Committee of its duties in the Bankruptcy Cases and any related proceedings.

BINGHAM COMPENSATION

14. Subject to Court approval, and in accordance with sections 328, 330 and 331 of the Bankruptcy Code, Bingham proposes to render its services on an hourly basis according to its customary hourly rates in effect when the services are rendered.

15. The hourly rates charged by Bingham professionals differ based on, among other things, the individual professional's experience. These rates may change from time to time in accordance with Bingham's established billing practices and procedures and, generally, are adjusted in January of each year. Bingham will maintain detailed, contemporaneous records of time and any actual and necessary expenses incurred in connection with the rendering of the legal services described above by category and nature of the services rendered.

16. The fee ranges for the Bingham attorneys and paraprofessionals that may be designated to represent the Committee, and their current hourly rates in calendar year 2012, are approximately as follows:

- a. Partners & Of Counsel \$695 - \$900 per hour
- b. Counsel & Associates \$430 - \$650 per hour
- c. Paraprofessionals \$200 - \$265 per hour

The billing rates for the Bingham attorneys anticipated to be employed on this Bankruptcy Cases are as follows:

Jonathan B. Alter	Partner	\$850 per hour
Michael J. Reilly	Partner	\$900 per hour
R. Jeffrey Smith	Partner	\$695 per hour
Stephanie W. Mai	Counsel	\$700 per hour

17. Bingham intends to apply for compensation for professional services rendered and for reimbursement of actual and necessary expenses incurred in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, orders of the Court and the United States Trustee's Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, dated January 30, 1996 (the "**U.S. Trustee's Guidelines**").

18. On occasion, Bingham anticipates relying upon the assistance of John J. (Jack) Bradley III ("**Bradley**"), president of Bingham Strategic Advisors, to, among other things: (1) assess the Debtors' financial condition; (2) conduct plan negotiations on behalf of the Committee; and (3) evaluate the term sheets and other information related to proposals to purchase the Debtors' property. Bradley has extensive restructuring and bankruptcy

experience, including 14 years in BankBoston's loan workout area. During his tenure at the BankBoston, Bradley's portfolio responsibilities included the direct involvement in the negotiation and resolution of large syndicated multi-bank transactions with multiple classes of creditors. Bradley has extensive experience in facilitating complex financial transactions. In addition to his extensive workout experience, Bradley's prior experience includes seven years as Director of M&A at BankBoston. In this capacity, Bradley was responsible for both international and corporate banking acquisition initiatives. He has led and closed both domestic and cross-border transactions and is well versed in structuring complex transactions and the negotiation of purchase and sale agreements. Other personnel of Bingham Strategic Advisors may also provide financial advisory services to the Committee. The Committee believes that this compensation arrangement with Bingham Strategic Advisors is an attractive alternative to hiring an investment firm, is reasonable and appropriate for services of this nature, and is consistent with the compensation arrangement charged by Bingham Strategic Advisors for similar services.

19. Any financial advisory services provided by Bingham Strategic Advisors will be billed in conjunction with those services rendered to the Committee by Bingham, and will be subject to the U.S. Trustee's Guidelines. Therefore, such fees will be subject to review by the United States Trustee, the Debtors, and the Court. All non-legal financial services set forth in Bingham's monthly statement and fee application will be separately set forth and identified accordingly

20. No agreement exists between Bingham and any other person for the sharing of compensation to be received by Bingham in connection with services rendered, or to be rendered, to the Committee in the Bankruptcy Cases.

DISCLOSURE CONCERNING CONFLICTS OF INTEREST

21. To the best of the Committee's knowledge, information and belief, other than as may be disclosed in this Application and the Alter Affidavit, (a) Bingham is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, (b) Bingham does not hold or represent an interest adverse to the Debtors' estates with respect to the matters for which Bingham is to be employed, as required by section 328(c) of the Bankruptcy Code; and (c) Bingham does not have any connection with the Debtors, their creditors, or any other party in interest in the Bankruptcy Cases, or its respective attorneys or accountants, or the U.S. Trustee for Region 4.

22. As set forth in the Alter Affidavit, Bingham has conducted, and continues to conduct, research of its client databases to determine whether it had any current or former relationships with the Debtors, their creditors, secured lenders, and equity security holders, and other parties interested in the Bankruptcy Cases (collectively, the "**Interested Parties**"), whose identities are set forth on Schedule 1 to the Alter Affidavit.

23. In the course of performing its conflicts search, Bingham has checked for potential conflicts of interest in respect of the individual Committee members, their employers, their affiliates, public entities in which they hold an interest of 5% or greater, and private entities in which they hold an interest of 51% or greater.

24. Despite the efforts described above to identify and disclose Bingham's connections with parties in interest in these Bankruptcy Cases, because Bingham operates an international law firm having collectively over 1100 lawyers in 14 offices worldwide, Bingham is unable to state with certainty that every client representation or other connection has been disclosed. In this regard, if additional information is discovered that requires disclosure, Bingham will file a supplemental affidavit with the Court as promptly as possible.

25. Bingham discloses herein that, from January 23, 2012 through the date of its selection by the Committee as its lead counsel, Bingham and Butler acted as counsel for The Cliffs Member Ad Hoc Group, Inc (the "**Ad Hoc Group**"). The Ad Hoc Group's principal objective is to advocate for the interests of the members. The representation lasted approximately six (6) weeks and was largely directed at formation and organization of the corporate structure for the group in anticipation of the filings of these Bankruptcy Cases. Bingham also appeared at the first day hearings to explain the purpose of the Ad Hoc Group and indicate its desire for a constructive, collegial process designed to facilitate the emergence of the Debtors from bankruptcy as expeditiously and efficiently as possible. Upon its selection as Committee counsel, Bingham terminated its representation of the Ad Hoc Group. Bingham sees its new role as a logical extension of its prior (albeit brief) role on behalf of the Ad Hoc Group and does not believe any conflict exists that should operate as an obstacle to its retention herein.

26. Bingham's employment is necessary and in the best interests of the Committee and the Debtors' estates. The attorneys of Bingham who will be employed in these Bankruptcy

Cases are members in good standing of the bars of the state and federal courts where they are admitted.

NUNC PRO TUNC RETENTION

27. The Committee requests approval of the employment of Bingham *nunc pro tunc* to March 7, 2012. Such relief is warranted by the extraordinary circumstances presented by these Bankruptcy Cases. The complexity, intense activity and speed that have characterized the Bankruptcy Cases have necessitated that Bingham, Butler, and the Committee focus their immediate attention on time-sensitive matters and promptly devote resources to the affairs of the Committee pending submission and approval of this Application. In particular, since being selected as counsel to the Committee on March 7, 2012, Bingham has acted to protect and advance the interests of unsecured creditors in the Bankruptcy Cases. Bingham reviewed and analyzed the Debtors' first-day motions and proposed orders. Also, Bingham is working with the Debtors and the Debtors' legal, financial and restructuring advisors to fully inform the Committee about the Debtors' operations, financial position, and administration of the Bankruptcy Cases.

28. Since Bingham was selected as counsel to the Committee, Bingham also conducted the first Committee meeting to discuss initial Committee strategy on March 9, 2012. Moreover, Bingham objected on behalf of the Committee to the financing, cash collateral and bid procedures motions.

29. In this District the following factors have been used to determine if *nunc pro tunc* employment of a professional is warranted.

- a. Debtor has expressly contracted for professional services;

- b. Party for whom work was done must approve *nunc pro tunc* order;
- c. Applicant must provide notice to creditors and parties in interest;
- d. No creditor or party in interest offers reasonable objection;
- e. Professional must satisfy all criteria of § 327 and B.R. 2014;
- f. Work was performed properly and efficiently;
- g. No actual or potential prejudice to estate;
- h. Applicant's failure to seek pre-employment approval is satisfactorily explained;
- i. No pattern of inattention or negligence in soliciting judicial approval.

See, *In re Anderson Place Associates, C. A. 8:91-1889-20* (D.S.C. 1/31/91) *aff'd* 92-1288 (4th Cir. 5/24/93)(unpub.); *In re Overstreet, 07-05397-W* (Bankr. D.S.C. 3/8/10)(JW).

30. The Committee is informed and believes that the above requirements for *nunc pro tunc* appointment have been met.

31. The services of Bingham on and after March 7, 2012 have materially benefited all unsecured creditors of the Debtors' estates, and have served to protect their rights pending Bingham's formal retention pursuant to this Application. Accordingly, the Committee requests that Bingham's retention be approved *nunc pro tunc* to March 7, 2012, the date on which Bingham was selected as the Committee's lead counsel, and Bingham began work in such capacity.

NOTICE

32. The Committee has provided notice of this Application to the U.S. Trustee, counsel to the Debtors, and all parties who have properly filed a notice of appearance in the

Bankruptcy Cases. The Committee respectfully submits that such dissemination constitutes adequate and proper notice of the Application and that no other or further notice need be given.

NO PRIOR REQUEST

33. No prior application for the relief requested herein has been made to this or any other court.

WHEREFORE, the Committee respectfully requests that the Court enter an order in substantially the form annexed hereto as Exhibit B:

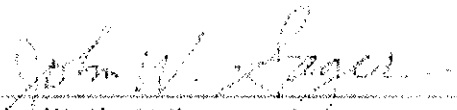
- (a) authorizing and approving the Committee's retention of Bingham, *nunc pro tunc* to March 7, 2012; and
- (b) granting such other relief as the Court may deem just and proper.

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Dated as of March 16, 2012

Respectfully Submitted,

THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF
THE CLIFFS CLUB & HOSPITALITY GROUP,
INC., ET AL.



John W. (Jack) Sager
Committee Chairman

EXHIBIT A

Exhibit A

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re:	)	CHAPTER 11
The Cliffs Club & Hospitality Group, Inc., et al., ¹ d/b/a The Cliffs Golf & Country Club,	)	Case No. 12-01220-JW
Debtors.	)	Jointly Administered

AFFIDAVIT OF JONATHAN B. ALTER

STATE OF CONNECTICUT )	)	ss: Hartford	March <u>14</u> , 2012
COUNTY OF HARTFORD))		

Pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), Jonathan B. Alter, being duly sworn, deposes and says:

1. I am an attorney at law admitted to practice before the courts of the States of Connecticut and New York, the United States District Court for the District of Connecticut and the Eastern, Northern, Southern and Western Districts of New York, and the United States Court of Appeals for the Second Circuit. I am a partner in the firm of Bingham McCutchen LLP (“**Bingham**”). I am resident in the office located at One State Street, Hartford, Connecticut 06103-3178. This affidavit is submitted in support of the application of the

¹ The Debtors, followed by the last four digits of their respective taxpayer identification numbers, are as follows: The Cliffs Club & Hospitality Group, Inc. (6338); CCHG Holdings, Inc. (1356); The Cliffs at Mountain Park Golf & Country Club, LLC (2842); The Cliffs at Keowee Vineyards Golf & Country Club, LLC (5319); The Cliffs at Walnut Cove Golf & Country Club, LLC (9879); The Cliffs at Keowee Falls Golf & Country Club, LLC (3230); The Cliffs at Keowee Springs Golf & Country Club, LLC (2898); The Cliffs at High Carolina Golf & Country Club, LLC (4293); The Cliffs at Glassy Golf & Country Club, LLC (6559); The Cliffs Valley Golf & Country Club, LLC (6486); Cliffs Club & Hospitality Service Company, LLC (9665).

Official Committee of Unsecured Creditors (the “**Committee**”) in the above-captioned chapter 11 cases for an Order authorizing the employment and retention of Bingham as counsel for the Committee (the “**Application**”).

2. The facts set forth in this affidavit are personally known to me and, if called as a witness, I could and would testify thereto. Unless otherwise defined, all capitalized terms used herein have the meanings given to them in the Application.

3. Except as set forth below, neither I, Bingham, nor any partner, of counsel, counsel or associate thereof, insofar as I have been able to ascertain, has any connection with the above-captioned Debtors (the “**Debtor**”), its creditors, the United States Trustee for Region 4, or any other party-in-interest herein, or their respective attorneys or accountants.

4. To check and clear potential conflicts of interest in this Bankruptcy Cases, Bingham researched its client databases to determine whether it had any relationships with the following entities (collectively, the “**Interested Parties**”), whose identities are set forth on Schedule 1 to this affidavit:

- a. the Debtors;
- b. the Debtors’ most significant creditors, secured lenders and interested parties;
- c. the Debtors’ professionals;
- d. personnel in the Office of the United States Trustee for Region 4; and
- e. United States Bankruptcy Judge.

5. From January 23, 2012 through the date of its selection by the Committee as its lead counsel, Bingham acted as counsel for The Cliffs Member Ad Hoc Group, Inc. As far as I have been able to ascertain, Bingham has no further connection with any of the Interested

Parties.

6. Despite the efforts described above to identify and disclose Bingham's connections with parties in interest in these Bankruptcy Cases, because Bingham operates an international law firm having collectively over 1100 lawyers in 14 offices, and because the Debtors are a large enterprise with numerous creditors and other relationships, I am unable to state with certainty that every client representation or other connection has been disclosed. In this regard, if I discover additional information that requires disclosure, I will file a supplemental affidavit with the Court as promptly as possible.

7. As part of its conflicts checking procedure, Bingham sent a general inquiry to all Bingham attorneys to identify if any Bingham attorney: (a) holds any debt or equity interest in any of the Debtors; (b) holds any claims against any of the Debtors; (c) has any personal interest materially adverse to any of the Debtors; (d) has any personal interest in any of the Debtors that would make such person adverse to any creditor or equity interest holder of the Debtors; and (e) was an employee or director of the Debtors or any of its affiliates within two (2) years preceding the bankruptcy filing (the "**Bingham Attorney Inquiry**"). The Bingham Attorney Inquiry to date has not uncovered any potential connections, other than as set forth below. However, it is possible that certain Bingham attorneys or employees hold interests in mutual funds or other investment vehicles that may own debt or equity interests in, or have other connections to, the Debtors.

8. In the course of performing its conflicts search, Bingham has checked for potential conflicts of interest in respect of the individual Committee members, their employers, their affiliates, public entities in which they hold an interest of 5% or greater, and private

entities in which they hold an interest of 51% or greater.

9. Neither I, nor Bingham, nor any partner, of counsel, counsel or associate thereof, as far as I have been able to ascertain, holds or represents any interest adverse to the Debtors in the matters for which Bingham is proposed to be retained. Accordingly, I believe that Bingham is a “disinterested person” as that phrase is defined in section 101(14) of the Bankruptcy Code.

10. No agreement exists between Bingham and any other person for the sharing of compensation to be received by Bingham in connection with services rendered or to be rendered in these Bankruptcy Cases.

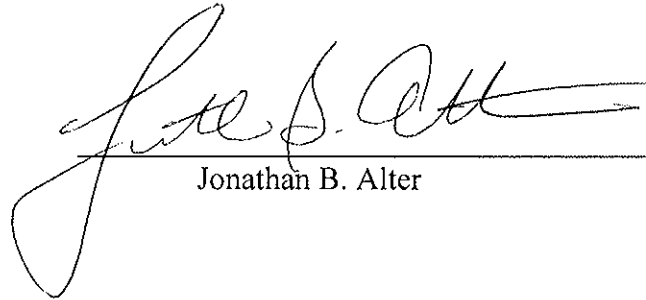
11. Subject to the Court’s approval, Bingham will charge for its legal services performed pursuant to the Application on an hourly basis in accordance with its ordinary and customary hourly rates in effect on the date services are rendered.² These rates may change from time to time in accordance with Bingham’s established billing practices and procedures and, generally, are adjusted in January of each year. Bingham will maintain detailed, contemporaneous records of time and any actual and necessary expenses incurred in connection with the rendering of the legal services described in the Application by category and nature of the services rendered.

12. The proposed employment of Bingham is not prohibited by or improper under Bankruptcy Rule 5002. Bingham and the professionals it employs are qualified to represent the Committee in the matters for which Bingham is proposed to be employed and retained.

² The hourly rates charged by Bingham professionals are based on, among other things, the individual professional’s level of experience.

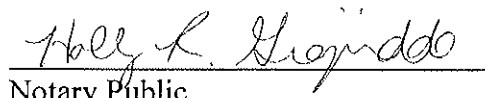
13. Bingham intends to apply to the Court for payment of compensation and reimbursement of expenses that are related to the services set forth in the Application in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the U.S. Trustee's Guidelines, and pursuant to any additional procedures that may be established by the Court in these Bankruptcy Cases.

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Jonathan B. Alter

SUBSCRIBED AND SWORN to before me
this 14th day of March, 2012



Notary Public

My Commission Expires:
HOLLY R GIONFRIDDO
NOTARY PUBLIC
CONNECTICUT
MY COMMISSION EXPIRES JUNE 30, 2016

SCHEDULE 1

SCHEDULE OF INTERESTED PARTIES FOR CONFLICT CHECK

Members of the Official Committee of Unsecured Creditors

John W. Sager
Janet D. Hilligoss
H. Michael Krimbill
TJF Golf, Inc.
John Mack
Harrell's, LLC
Raymond O. Gibson

The Debtors

The Cliffs Club & Hospitality Group, Inc. d/b/a The Cliffs Golf & Country Club
CCHG Holdings, Inc.
The Cliffs at Mountain Park Golf & Country Club, LLC.
The Cliffs at Keowee Vineyards Golf & Country Club, LLC.
The Cliffs at Walnut Cove Golf & Country Club, LLC
The Cliffs at Keowee Falls Golf & Country Club, LLC
The Cliffs at Keowee Spring Golf & Country Club, LLC
The Cliffs at High Carolina Golf & Country Club, LLC
The Cliffs at Glassy Golf & Country Club, LLC
The Cliffs Valley Golf & Country Club, LLC
Cliffs Club & Hospitality Service Company, LLC

The Debtors' Equity Holders

Jim Anthony

The Debtors' Parent

Cliffs Communities, Inc.

The Debtors' Professionals

McKenna Long & Aldridge LLP, Debtors' Counsel
Law Office of Dana Wilkinson, Debtors' Counsel
GGG Partners, LLC, Restructuring Consultants
Katie S. Goodman, Chief Restructuring Officer

The Debtors' Amended Consolidated List of 50 Largest Unsecured Creditors

T J F Golf, Inc.	Myle Jerdan
Mike Krimbill	Richard Berkowitz
John Evans	Daniel Zinke
Kent Smith	Tom Currey
Harrell's	Scott Logan
Medalist Golf, Inc.	Stephen Larson
Golf Agronomics	Daniel McCollum
John Downey	Fred Myers
Glenn Wright	John Mack
Scott Hughes	Matthew Price
Michael Blackburn	Robert Satterfield
William Whisnant	John Kraut
John Stites	Scott Minton
Douglas Cioce	John Charles
Bob Levine	Larry Lacerte
Gregory Paul	Ellis McCracken
Sharon Simmons (Keowee Devel, LLC)	Keith Rezin
Smith Turf & Irrigation co.	Lee Zoeller
Charles Moniotte	Wall to Wall Concrete, Inc.
John Walter	Douglas Snyder
Steve Carlile	Robert Swander
Daniel Gerner	Robert Missant
Chuck Hutchinson	Lars Bespolka
William Hicks	Newlife Turf Inc.
David Meek	Aquarius II, Inc.
Glenn Simpson	American Services
Rick Steif	Mr. and Mrs. William Clear
	Sam & Ruscella Casamento

Other Parties in Interest

Chief Judge John E. Waites
UST Region 4 Employees as set forth on Schedule 1.A hereto
Significant creditors, secured lenders, and interested parties as set forth on Schedule 1.B hereto¹

¹ Schedule 1.B hereto is Schedule 6 to the retention application of Debtors' counsel, McKenna Long & Aldridge LLP [Doc. No. 36 at page 26]

SCHEDULE 1.A

UST REGION 4 EMPLOYEES

Name	Position
W. Clarkson McDow, Jr.	United States Trustee
Joel S. Atkinson	Information Technology Specialist
Betty B. Enlow	Administrative Officer
B. Anne Hiers	Bankruptcy Analyst
Barbara S. Spohn	Legal Clerk
Joseph F. Buzhardt, III	Assistant U.S. Trustee
Linda K. Barr	Trial Attorney
Robert B. Doyle	Paralegal Specialist
Andrea W. Hill	Legal Clerk
Peter N. Sergakis	Bankruptcy Analyst
Julie C. Smoak	Bankruptcy Analyst
Timothy J. Stack	Trial Attorney
Mark A. Neal	Assistant U.S. Trustee
Denise Bachman	Legal Clerk
Susan M. Balderson	Bankruptcy Analyst
Hugh M. Bernstein	Trial Attorney
Danielle Brown	Legal Clerk
Amy C. Busch	Paralegal Specialist
Steven G. Eggert	Paralegal Specialist
Edmund A. Goldberg	Trial Attorney
Katherine A. Levin	Trial Attorney
Terry J. Miller	Bankruptcy Analyst
Kim Ries	Legal Clerk
Brenda B. Wilmore	Paralegal Specialist
Gerard Votter	Assistant U.S. Trustee
Jennifer Balourdos	Paralegal Specialist
Leander D. Barnhill	Trial Attorney
Debi Costa	Legal Clerk
Jeanne M. Crouse	Trial Attorney
Jennifer Jacobs	Bankruptcy Analyst
Lynn A. Kohon	Trial Attorney

Name	Position
Kevin Nelson	Paralegal Specialist
Anthony M. Payton	Legal Clerk
Beth A. Printz	Paralegal Specialist
Joseph A. Guzinski	Assistant U.S. Trustee
Paula F. Blades	Paralegal Specialist
Martha Davis	Trial Attorney
Jack I. Frankel	Trial Attorney
Daniel V. Johnson, Jr.	Senior Bankruptcy Analyst
Caramaria C. Nebeker	Bankruptcy Analyst
Peter M. Orens	Paralegal Specialist
Tony Pika	Bankruptcy Analyst
Ilene M. Sims	Legal Clerk
Mark E. Steven	Paralegal Specialist
Debra F. Conlon	Assistant U.S. Trustee
Margaret L. Bloom	Paralegal Specialist
Susan L. Eberhardt	Legal Clerk
Jay W. Legum	Bankruptcy Analyst
Martha J. Watson	Paralegal Specialist
Cecilia A. Weschler	Trial Attorney
Kenneth N. Whitehurst, III	Trial Attorney
Sheryl D. Wilson	Paralegal Specialist
Robert B. Van Arsdale	Assistant U.S. Trustee
Peggy T. Flinchum	Paralegal Specialist
Frances B. Hodges	Paralegal Specialist
Theresa Mack	Legal Clerk
Shannon F. Pecoraro	Trial Attorney
June E. Turner	Bankruptcy Analyst
John Byrnes	Assistant U.S. Trustee
Joel Charboneau	Trial Attorney
Deborah A. Charles	Paralegal Specialist
Lisa D. Franklin	Legal Clerk
Margaret K. Garber	Trial Attorney
Karen Kidd	Paralegal Specialist
Everette Mann	Bankruptcy Analyst

Name	Position
Heidi Poda	Legal Clerk
Debra A. Wertman	Assistant United States Trustee
David L. Bissett	Trial Attorney
Robin D. Broyles	Legal Clerk
Connie S. Caldwell	Paralegal Specialist
Martha T. Cox	Bankruptcy Analyst
Douglas A. Kilmer	Trial Attorney
Jo Anna Miller	Paralegal Specialist
Karen Pettit	Legal Clerk
R. Michael Umberger	Bankruptcy Analyst

SCHEDULE 1.B

Adam Hodges	Gregory Paul	Peter Venditti
Aquaris II, Inc.	Habie	Philip Kalchthaler
Arendale Holdings	Harrell's	Richard Berkowitz
Barbara Davis	James Steever	Rick Steif
Bob Levine	Jim Derrick	Robert Barth
Carlile Development Group	John Black	Robert Missant
Charles Biladeau	John Charles	Robert Russo
Charles Dick	John Downey	Robert Satterfield
Charles Moniotte	John Evans	Robert Swander
Christopher Curtis	John Evans	Ronald Zebck
Chuck Hutchinson	John Mack	Salvatore Badalamenti
Cliffs Management Services	John Stites	Scott Hughes
Daniel Gerner	John Walter	Scott Logan
Daniel McCollum	Jon Kraut	Scott Minton
Daniel Zinke	Keith Holmberg	Sharon Simmons (Keowee Devcl., LLC)
David Meek	Keith Rezin	Smith Turf & Irrigation Co.
David Rathgeber	Kent Smith	SP 50 Investments, Ltd.
David Sargent	Kripa Jones	Stephen Larson
Dean Banks	L. Michael Hinds	Steve Carlile
Denis Chevaleau	Larry Lacerte	Steve Coss
Douglas Cioce	Lars Bespolka	Stewart Bainum
Douglas Snyder	Lee Zoeller	Stokes Land Co.
Dudley Tower	Margaret Welsh	T.J.F. Golf, Inc.
Ellis McCracken	Mark Antoncic	Thomas Hallmark
Feank Sidoti	Matthew Price	Tim Cherry
Fred Myers	Medalist Golf, Inc.	Tom Currey
Gary Bolick	Michael Blackburn	Tom Hallmark
George M. Royal	Mike Cuckler	Urbana
Gerald and Larisa Gaige	Mike Krimbill	Wall to Wall Concrete, Inc.
Glenn Simpson	Myles Jerdan	William Hicks
Glenn Wright	Newlife Turf Inc.	William Whisnant
Golf Agronomics	Paul Weaver	

EXHIBIT B

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

Case No. 12-01220-JW

**ORDER AUTHORIZING AND APPROVING THE RETENTION
AND EMPLOYMENT OF BINGHAM McCUTCHEN LLP
AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF THE CLIFFS CLUB & HOSPITALITY
GROUP, INC., ET AL., NUNC PRO TUNC TO MARCH 7, 2012**

The relief set forth on the following pages, for a total of 5 pages including this page, is hereby

ORDERED.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re:	)	CHAPTER 11
The Cliffs Club & Hospitality Group, Inc., et	)	Case No. 12-01220-JW
al., ¹ d/b/a The Cliffs Golf & Country Club,	)	Jointly Administered
Debtors.)	

**ORDER AUTHORIZING AND APPROVING THE RETENTION
AND EMPLOYMENT OF BINGHAM McCUTCHEM LLP
AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF THE CLIFFS CLUB & HOSPITALITY
GROUP, INC., *ET AL.*, NUNC PRO TUNC TO MARCH 7, 2012**

Upon the application dated March 16, 2012 (the “**Application**”) of the Official Committee of Unsecured Creditors (the “**Committee**”) of the above-captioned Debtors and debtors-in-possession (the “**Debtors**”), seeking entry of an order (the “**Order**”) pursuant to sections 328(a) and 1103(a) of title 11 of the United States Code (as amended, the “**Bankruptcy Code**”) and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), authorizing the Committee to employ and retain Bingham McCutchen LLP (“**Bingham**”) *nunc pro tunc* to March 7, 2012; and upon the affidavit of Jonathan B.

¹ The Debtors, followed by the last four digits of their respective taxpayer identification numbers, are as follows: The Cliffs Club & Hospitality Group, Inc. (6338); CCHG Holdings, Inc. (1356); The Cliffs at Mountain Park Golf & Country Club, LLC (2842); The Cliffs at Keowee Vineyards Golf & Country Club, LLC (5319); The Cliffs at Walnut Cove Golf & Country Club, LLC (9879); The Cliffs at Keowee Falls Golf & Country Club, LLC (3230); The Cliffs at Keowee Springs Golf & Country Club, LLC (2898); The Cliffs at High Carolina Golf & Country Club, LLC (4293); The Cliffs at Glassy Golf & Country Club, LLC (6559); The Cliffs Valley Golf & Country Club, LLC (6486); Cliffs Club & Hospitality Service Company, LLC (9665).

Alter, a partner of Bingham (the “**Alter Affidavit**”); and the Court having jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and the consideration of the Application and the relief requested therein being a core proceeding in accordance with 28 U.S.C. § 157(b); and the Court having considered the Application, the Alter Affidavit, and all responses or objections to the Application; and the Court being satisfied that Bingham is a disinterested person and does not hold or represent an interest adverse to the Debtors’ estates with respect to any of the matters for which Bingham is to be engaged; and the Court finding that the employment of Bingham is necessary to the performance of the Committee’s duties; and it appearing as if *nunc pro tunc* employment of Bingham is warranted under the nine part test set forth in *In re Anderson Place Associates, C. A. 8:91-1889-20* (D.S.C. 1/31/91) *aff’d* 92-1288 (4th Cir. 5/24/93) (unpub.); and notice of this Order having been given to all parties entitled to receive notice; and it appearing that no other notice need be given; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED that this Application be and it hereby is granted in its entirety; and it is further

ORDERED that, in accordance with sections 328(a) and 1103(a) of the Bankruptcy Code, and Fed. R. Bankr. P. 2014, the Committee be, and hereby is, authorized to employ and retain Bingham *nunc pro tunc* to March 7, 2012, upon such terms and conditions set forth in the Application and the Alter Affidavit; and it is further

ORDERED that Bingham will render professional services to the Committee that may include, but shall not be limited to, the following:

- a. providing legal advice with respect to the Committee's rights, powers, and duties in the Bankruptcy Cases;
- b. representing the Committee at all hearings and other proceedings;
- c. advising and assisting in the Committee's discussions with the Debtors and other parties in interest, as well as professionals retained by any such parties, regarding the overall administration of the Bankruptcy Cases;
- d. assisting the Committee in analyzing the claims of the Debtors' creditors and in negotiating with such creditors;
- e. assisting with the Committee's investigation of the assets, liabilities, and financial condition of the Debtors and of the operations of the Debtors' businesses;
- f. assisting the Committee in its analysis of, and negotiations with, the Debtors or any third party concerning matters related to, among other things, formulating the terms of a plan or plans of reorganization for the Debtors;
- g. assisting and advising the Committee with respect to its communications with the general creditor body regarding matters in the Bankruptcy Cases;
- h. reviewing and analyzing all pleadings, orders, statements of operations, schedules, and other legal documents;
- i. preparing on behalf of the Committee all pleadings, orders, reports and other legal documents as may be necessary in furtherance of the Committee's interests and objectives; and
- j. performing all other legal services for the Committee that may be necessary and proper to facilitate the discharge by the Committee of its duties in the Bankruptcy Cases and any related proceedings; and it is further

ORDERED that Bingham shall be compensated in accordance with 11 U.S.C. §§ 330, 331 and such Federal Bankruptcy Rules, Local Rules or Operating Orders as may be applicable. Notwithstanding any term of the Application or Order to the contrary, the compensation of Bingham is subject to review by the Court pursuant to 11 U.S.C. § 330 and is not authorized pursuant 11 U.S.C. § 328; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

**U.S. BANKRUPTCY COURT
District of South Carolina**

Case Number: **07-05397-jw**

ORDER ON APPLICATION FOR APPROVAL OF EMPLOYMENT NUNC PRO TUNC

The relief set forth on the following pages, for a total of 4 pages including this page, is hereby ORDERED.

**FILED BY THE COURT
03/05/2010**



Entered: 03/08/2010

John E. Waite

Chief US Bankruptcy Court Judge
District of South Carolina

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA**

IN RE:

Bryan Paul Overstreet and Jessica Padgett
Overstreet,

Debtor(s).

C/A No. 07-05397-JW

Chapter 13

ORDER

This matter comes before the Court upon the Application for Approval of Employment Nunc Pro Tunc (“Employment Application”) and Application to Approve Settlement Nunc Pro Tunc (“Settlement Application”) filed by Debtors Bryan Paul Overstreet and Jessica Padgett Overstreet (“Mrs. Overstreet”). Although the Trustee filed objections to both Applications, it appears that the objection to the Settlement Application was resolved by a consent order settling a related objection to exemption filed by the Trustee. However, because the issue of nunc pro tunc employment arises frequently, the Court wishes to address the issue for the edification of the bar.

In the Employment Application, Debtors state that Mrs. Overstreet was involved in a motor vehicle accident on September 5, 2007, approximately one month prior to the Debtors’ October 2, 2007 filing of their Chapter 13 petition. According to the Employment Application and attached affidavits, Debtors hired attorneys Gary Ling and Dusty Rhoades on September 18, 2007, to represent them in the personal injury case on a contingency fee basis at the rate of 33% of the proposed settlement agreement. Debtors did not disclose the lawsuit or cause of action in their original schedules and statement of financial affairs nor claim an exemption in any recovery therefrom. Over two years later, Debtors now request authorization, nunc pro tunc, to employ the attorneys, which is an issue raised in connection with the settlement. To explain their failure

to disclose, Debtors state that they did not believe they would receive any recovery from the accident.

11 U.S.C. §327 and Fed. R. Bankr. P. 2014 set forth rules and procedures for the employment of attorneys or other professional persons, and provide that “the trustee, with the court’s approval” may employ such professionals if they “do not hold or represent an interest adverse to the estate” and are “disinterested persons, to represent or assist the trustee in carrying out the trustee’s duties under this title.” § 327(a). Although the U.S. Bankruptcy Code and Federal Rules of Bankruptcy are silent on the issue of nunc pro tunc employment of professionals, it is well recognized, including by this Court, that such employment may be authorized upon a proper showing. See In re TJN, Inc., 194 B.R. 396, 397-99 (Bankr. D.S.C. 1996) (citing In re Twinton Props. P’ship, 27 B.R. 817, 819-20 (Bankr. M.D. Tenn. 1983)). However, the procedure for approving the employment of professionals in a Chapter 13 case is less clear.

Several courts have indicated that § 327 is not applicable to the employment of attorneys or other professionals by a Chapter 13 debtor, reasoning that the statutory language is limited to a trustee or Chapter 11 debtor-in-possession. In re Tirado, 329 B.R. 244, 248-50 (Bankr. E.D. Wis. 2005); see also In re Powell, 314 B.R. 567, 569-70 (Bankr. N.D. Tex. 2004); In re Harris, 298 B.R. 319, 320-21 (Bankr. E.D. Tenn. 2003); In re Dugger, No. 97-30410, 1999 WL 33486706, at *4 (Bankr. D. Idaho Mar. 5, 1999). However, other courts have reached the contrary conclusion on the basis that if the statute was intended to apply only to cases other than Chapter 13, it would have clearly provided for that, and that there would be no requirement for special counsel to be disinterested or not hold an interest adverse to the debtor absent § 327. Price v. Crawford (In re Price), Bankr. No. 05-04807-TOM-13, Adv. No. 07-00017, 2007 WL 1125639, at *3-6 (Bankr. N.D. Ala. Apr. 16, 2007); see also In re Davis, No. 07-51337-NPO,

2009 WL 4856199, at *4 (Bankr. S.D. Miss. Dec. 9, 2009); In re Glover, No. 01-43454, 2003 WL 23811474, at *3 (Bankr. S.D. Ga. June 13, 2003).

In the present case, there is no dispute that Debtors employed the special counsel pre-petition in a customary transaction for representation in an automobile accident. No party objects to the compensation proposed nor to a nunc pro tunc approval of the pre-petition employment.¹ The Court finds that in such cases where a Chapter 13 debtor employs a professional pre-petition, the debtor need not obtain approval from the Court, even if the professional remains employed and continues to work on the matter post-petition. The Court notes, however, that pursuant to § 329 and § 330(a)(4)(B), the Court's approval of compensation to be awarded to the professional may be required. Furthermore, at the outset of representing a Chapter 13 debtor, bankruptcy counsel should inquire specifically about the involvement of special counsel or other professionals, and any lawsuits or other pending legal matters should always be disclosed on the debtor's schedules with any exemption timely claimed.

Accordingly, the Court grants the Applications, but concludes that a Chapter 13 debtor need not seek the Court's approval nunc pro tunc for an employment application under similar circumstances in the future.²

AND IT IS SO ORDERED.

Columbia, South Carolina
March 5, 2010

¹ However, the standards for nunc pro tunc approval require that a hearing be held and proof offered.

² Professionals employed post-petition in a Chapter 13 case may ask for Court approval of employment as means of advising the Court, trustee, and parties of the employment, but any such requests should be timely submitted.