

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

Case No. 12-01220
Case No. 12-01223
Case No. 12-01225
Case No. 12-01226
Case No. 12-01227
Case No. 12-01229
Case No. 12-01230
Case No. 12-01231
Case No. 12-01234
Case No. 12-01236
Case No. 12-01237

**ORDER DESIGNATING THE DEBTORS' CHAPTER 11 CASES AS COMPLEX
CHAPTER 11 CASES PURSUANT TO LOCAL RULE 2081-2 AND NOTICE OF
HEARINGS ON FIRST DAY PLEADINGS**

The relief set forth on the following pages, for a total of 8 pages including this page, is hereby **ORDERED**.

**FILED BY THE COURT
02/29/2012**



Entered: 02/29/2012

Chief US Bankruptcy Judge
District of South Carolina

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re:

**The Cliffs Club & Hospitality Group, Inc., et
al.,¹ d/b/a The Cliffs Golf & Country Club,**

Debtors.

CHAPTER 11

Case No. 12-01220

Joint Administration Pending

**ORDER DESIGNATING THE DEBTORS' CHAPTER 11 CASES AS COMPLEX
CHAPTER 11 CASES PURSUANT TO LOCAL RULE 2081-2 AND NOTICE OF
HEARINGS ON FIRST DAY PLEADINGS**

This matter coming before the Court on the *Motion of Debtors for Entry of Order Designating the Debtors' Chapter 11 Cases as Complex Chapter 11 Cases Pursuant to Local Rule 2081-2* [Docket Entry No. 4] (the "Motion")² filed by the above captioned debtors and debtors in possession (the "Debtors"), the Court having reviewed the Motion and the Cherry Declaration, and having scheduled a hearing before the Court (the "Hearing"), the Court having found that: (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b), and (iv) notice of the Motion and the Hearing was sufficient under the circumstances, after due deliberation the Court having determined that the relief requested in the Motion is necessary and essential for the Debtors' reorganization and such

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).

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

relief is in the best interests of the Debtors, their estates and their creditors; and good and sufficient cause having been shown;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The above-captioned chapter 11 cases qualify as Complex Chapter 11 Cases under Local Rule 2081-2.
3. The Debtors have filed motions requesting hearings to consider the following motions and applications (collectively, the "First Day Pleadings"):
 - (a) Motion of Debtors for Order Pursuant to Bankruptcy Rule 1015(B) Directing Joint Administration of Chapter 11 Cases;
 - (b) Debtors' Motion for Order (a) Approving Bidding Procedures for Auction to Become the Designated Sponsor of the Debtors' Chapter 11 Plan of Reorganization; (b) Approving Break Up Fee and Expenses Reimbursement Payable in Certain Circumstances to the Carlile Development Group; and (c) Approving the "Substitution Conditions" Contained in the DIP Loan Agreement;
 - (c) Debtors' Motion for Entry of Interim and Final Orders Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364 and 507(b) (I) Approving Post-Petition Financing, (II) Granting Liens and Providing Superpriority Administrative Expense Status, (III) Granting Adequate Protection, (IV) Modifying the Automatic Stay, and (V) Scheduling a Final Hearing;
 - (d) Debtors' Motion (A) for Authorization to (I) Utilize Cash Collateral Pursuant to 11 U.S.C. § 363; and (II) Provide Adequate Protection Pursuant to 11 U.S.C. §§ 361, 363, and 364(d) and (B) to Schedule a Final Hearing Pursuant to Bankruptcy Rule 4001;
 - (e) Debtors' Motion for Entry of an Order Authorizing, but not Directing, the Debtors to: (i) Pay Prepetition Wages, Salaries, Employee Benefits and Other Compensation and Costs, and (ii) For Financial Institutions to Honor and Process Checks and Transfers Related to Such Obligations;
 - (f) Motion For Order Under 11 U.S.C. §§ 105(a) and 366 (i) Prohibiting Utility Companies from Altering or Discontinuing Service on Account of Prepetition Invoices, (ii) Approving Deposit as Adequate Assurance of Payment, and (iii) Establishing Procedures for Resolving Requests by Utility Companies for Additional Assurance of Payment;

- (g) Motion of Debtors for Order Authorizing (i) the Continued Maintenance and Use of the Debtors' Existing Cash Management System, (ii) the Continued Maintenance and Use of the Debtors' Existing Bank Accounts, (iii) the Continued Use of Existing Business Forms and Checks; and (iv) a Waiver of Investment and Deposit Requirements;
- (h) Motion for Entry of Order Designating the Debtors' Chapter 11 Cases as Complex Chapter 11 Cases Pursuant to Local Rule 2081-2;
- (i) Motion for Entry of Order Authorizing the Payment of Prepetition Trust Fund Taxes in the Ordinary Course of Business;
- (j) Motion of the Debtors' For Entry of an Order Authorizing the Debtors to Pay Certain Prepetition Claims of Alcoholic Beverage Claimants;
- (k) Motion of Debtors' for Order Authorizing the Debtors to (a) Prepare a Consolidated List of Creditors and Equity Security Holders in Lieu of a Mailing Matrix, (b) File a Consolidated List of the Debtors' Fifty Largest Unsecured Creditors, and (c) Mail Initial Notices;
- (l) Debtors' Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105(a) and 363(b) Authorizing and Approving Debtors' (i) Retention and Employment of GGG Partners, LLC And (ii) Employment of Katie S. Goodman as Chief Restructuring Officer, *Nunc Pro Tunc* to the Petition Date;
- (m) Debtors' Motion Pursuant to Sections 105(a), 362(d), 363(b), 363(c) and 503(b) of the Bankruptcy Code (i) For Authorization to (a) Continue Their Workers' Compensation, Liability, Property, and Other Insurance Programs, (b) Pay All Obligations in Respect Thereof and (c) Enter Into Premium Financing Agreements in the Ordinary Course of Business, and (ii) For Authorization for Financial Institutions to Honor and Process Checks and Transfers Related to Such Obligations;
- (n) Debtors' Motion Pursuant to Sections 105(a), 363, and 503(b)(1) of the Bankruptcy Code for Authorization to Honor Prepetition Obligations to Customers and Otherwise Continue Customer Programs in the Ordinary Course of Business;
- (o) Motion for Entry of Order Establishing Certain Notice, Case Management and Administrative Procedures;
- (p) Motion for an Extension of Time to File Schedules of Assets and Liabilities, Schedules of Executory Contracts and Unexpired Leases, and Statement of Financial Affairs;

- (q) Application of the Debtors for Order Authorizing Retention of BMC Group, Inc. as Claims, Noticing, and Balloting Agent *Nunc Pro Tunc* to the Petition Date;
- (r) Motion to Establish Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals;
- (s) Motion for Authority to Retain and Compensate Professionals Used in the Ordinary Course of Business;
- (t) Debtors' Application for Entry of an Order Authorizing Retention and Employment of McKenna Long & Aldridge LLP as Counsel to the Debtors, *Nunc Pro Tunc* to the Petition Date; and
- (u) Debtors' Application for Entry of an Order Authorizing Retention and Employment of Dana Wilkinson as Local Counsel to the Debtors *Nunc Pro Tunc* to the Petition Date.

4. The Debtors shall, **on before midnight on February 29, 2012**, serve each of the First Day Pleadings and this Order on: (a) the Office of the United States Trustee for the District of South Carolina; (b) counsel to the Indenture Trustee (as defined in the Cherry Declaration); (c) counsel to the DIP Lender (as defined in the Cherry Declaration); (d) the Debtors' fifty (50) largest unsecured creditors (on a consolidated basis); (e) those persons who have formally appeared in the Bankruptcy Cases and requested service pursuant to Bankruptcy Rule 2002; and (f) all applicable government agencies to the extent required by the Bankruptcy Rules and the Local Rules. The Debtors shall also serve a copy of this Order by First Class U.S. Mail on all creditors **on or before midnight on March 1, 2012**.

5. Copies of the First Day Pleadings may be inspected in the offices of the Clerk of the Bankruptcy Court during normal business hours or downloaded from the Bankruptcy Court's website at <http://www.scb.uscourts.gov>. Please note that prior registration with the PACER Service Center and payment of a fee may be required to access such documents. Additionally, copies of the First Day Pleadings will be available for free download via an unofficial version of the case docket accessible through the Debtors' claims, notice and balloting

agent, BMC Group, Inc., at <http://www.bmcgroup.com/cliffs>. Requests for copies of the First Day Pleadings may also be made to proposed counsel for the Debtors at the contact information shown below.

6. **TAKE NOTICE THAT** the Court will hold final hearings on the following First Day Pleadings identified above as: **(a), (e), (g), (h), (i), (j), (k), (l), (m), (n), (o), (p), and (q)** on **March 5, 2012 at 12:30 p.m. at the J. Bratton Davis United States Bankruptcy Courthouse, 1100 Laurel Street, Columbia, SC 29201-2423** (the "First Day Hearing").

7. **TAKE NOTICE THAT** the Court will hold interim hearings at the First Day Hearing on the following First Day Pleadings identified above as: **(c), (d), and (f)**.

8. **TAKE NOTICE THAT** the Court will hold final hearings on the following First Day Pleadings identified above as: **(b), (c), (d), and (f)** on **March 16, 2012, at 9:00 a.m. at the J. Bratton Davis United States Bankruptcy Courthouse, 1100 Laurel Street, Columbia, SC 29201-2423**.

9. **TAKE NOTICE THAT** the Court will hold final hearings on the following First Day Pleadings identified above as: **(r), (s), (t), and (u)** on **March 26, 2012, at 1:30 p.m. at the Donald S. Russell Courthouse, 201 Magnolia Street, Spartanburg, SC 29306**. The Court may enter final Orders on these matters if no objection is timely filed and served on Debtors' counsel by **March 21, 2012**.

10. The initial status conference prescribed by Local Rule 2081-2 shall occur on **March 16, 2012, at 9:00 a.m. at the J. Bratton Davis United States Bankruptcy Courthouse, 1100 Laurel Street, Columbia, SC 29201-2423**. Such status conference will be conducted pursuant to 11 U.S.C. § 105(d) and may include issues addressed by the Court in this Order, and may include other scheduling and procedural issues addressed by any other party in the case

which files a motion entitled “Motion Regarding Administrative Issues to be Heard at Status Conference” not later than three (3) days prior to the date set for the status conference. Such a motion shall be served upon Debtors’ counsel, the Debtors’ secured creditors, the Debtors’ fifty (50) largest unsecured creditors (or unsecured creditors’ committee, if one is appointed), any existing official committees, and any party that files a request specifically seeking notice of such status conferences.

11. Omnibus hearings are to be held monthly and the procedures applicable to same will be set forth in the Court’s *Order Establishing Certain Notice, Case Management and Administrative Procedures* and the Case Management Procedures to be referenced therein.

12. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

13. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 7062 and 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

14. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

15. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

AND IT IS SO ORDERED

Prepared and presented by:

/s/ Däna Wilkinson

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