

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

Case No. 12-01220

**ORDER 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**

AND SETTING FURTHER HEARING

The relief set forth on the following pages, for a total of 7 pages including this page is hereby **ORDERED.**

**FILED BY THE COURT
03/06/2012**



Entered: 03/06/2012

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

ORDER 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

AND SETTING FURTHER HEARING

Upon consideration of the motion [Docket Entry No. 22] (the "Motion")² of the above-captioned debtors (the "Debtors") for entry of an order authorizing and approving: (i) the employment and retention of GGG Partners, LLC ("GGG") to provide restructuring management and advisory services to the Debtors and (ii) the employment of Katie S. Goodman ("Ms. Goodman") as the Chief Restructuring Officer (the "CRO") for the Debtors, *nunc pro tunc* to the Petition Date; and it appearing that the relief requested is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and upon consideration of the Cherry Declaration and the Declaration of Katie S. Goodman in support of the Motion; and it appearing

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 used but not defined herein shall have the same meanings ascribed to them in the Motion.

that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this Motion is a core proceeding pursuant to 28 U.S.C. § 157; and adequate notice of the Motion and opportunity for objection having been given; and it appearing that no other notice need be given; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtors, their creditors, and all parties in interest; and after due deliberation and sufficient cause therefore, it is hereby:

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted.
2. The Debtors are authorized to engage GGG on the terms described in the Motion, *nunc pro tunc* to the Petition Date.
3. The Debtors are authorized to engage Ms. Goodman on the terms described in the Motion, *nunc pro tunc* to the Petition Date.
4. **On an interim basis**, the Debtors shall not be required to seek authority to engage either GGG or Ms. Goodman as a professional under section 327 of the Bankruptcy Code in these Chapter 11 cases; however, the approval of the Debtors' engagement of GGG and Ms. Goodman is subject to objection(s) being filed **on or before 12:00 p.m. on March 15, 2012**. If any such objection is filed, then this Court will consider such objection(s) at the hearing scheduled 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**.
5. In light of the U.S. Trustee's objection, the Court reserves ruling on this paragraph until the March 16, 2012 hearing. Notwithstanding Services Agreement paragraph 4, GGG shall be subject to Bankruptcy Court orders. GGG shall consult with and take advice from the Board of Directors of the Debtors and from other parties in interest as GGG shall determine. GGG's services shall be terminated only by order of the Bankruptcy Court after "notice and a

hearing,” as those words are used in 11 U.S.C. § 102(1). The Debtors or any other party in interest may file a motion seeking such relief. Services Agreement Schedule 1, “Services to be provided by GGG to the Client,” is hereby modified to provide that GGG shall act as the Chief Restructuring Officer of the Client, and its representative, Ms. Katie Goodman, shall be the highest officer of each Chapter 11 Debtor. GGG’s and Ms. Goodman’s services to the Debtors shall include the following:

- (i) Putting together a package of materials for potential plan sponsors;
- (ii) Communicating with plan sponsors and other stakeholders regarding any third party proposals;
- (iii) Working with the Debtors, the Indenture Trustee (as defined in the Cherry Affidavit), any committee appointed under 11 U.S.C. § 1102(a) (the “Committee”), and other parties in interest as appropriate, to evaluate options;
- (iv) Working with the Debtors, the Indenture Trustee, the Committee, and other parties in interest as appropriate, to seek approval for the best plan;
- (v) Acting generally as the Debtors’ financial advisor;
- (vi) Overseeing and providing the necessary reporting requirements under the Bankruptcy Code and any orders of this Court;
- (vii) Interacting with the DIP Lender, the Indenture Trustee, the Committee, and other parties in interest as appropriate, concerning the operations of the Debtors, issues relating to the plan solicitation process, and any other matters relating to the Debtors;
- (viii) Overseeing and having responsibility for the collection of revenues and the disbursements of all funds;
- (ix) Approving any and all disbursements of the Debtors;
- (x) Controlling all bank accounts of the Debtors; and
- (xi) Otherwise managing the Debtors’ businesses with powers and duties of a chief executive officer under applicable nonbankruptcy law.

6. The Debtors shall not be authorized to indemnify GGG according to the terms set forth in the Services Agreement; however, the Debtors are hereby authorized to indemnify individually the professionals employed by GGG who are providing services to the Debtors, namely Katie S. Goodman, Joseph V. Pegnia, and Sam Horgan, according to the same indemnification terms originally in favor GGG set forth in the Services Agreement.

7. GGG and Ms. Goodman shall be paid monthly by the Debtors for their services and expenses on the terms set forth in the Services Agreement, subject to the following paragraph.

8. GGG shall circulate its monthly invoices (inclusive of Ms. Goodman's requested compensation as CRO) for review and approval by: (a) the Debtors (and counsel therefor); (b) the Office of the United States Trustee for the District of South Carolina; (c) counsel to the Indenture Trustee (as defined in the Cherry Declaration); (d) counsel to the DIP Lender (as defined in the Cherry Declaration); and (e) counsel for the Official Committee of Unsecured Creditors, if appointed (collectively, the "Notice Parties"). Any Notice Party receiving such monthly invoice shall have fourteen (14) days from the date of service within which to file and serve upon GGG and the Notice Parties a written objection to the monthly invoice, which objection shall specifically identify the time or expense objected to and shall state the reason(s) for such objection. If no written objection is received to a monthly invoice within fourteen (14) days of service, then the Debtors shall be authorized to pay GGG's monthly invoice; provided that the Debtors shall not pay GGG an amount that is not authorized under any applicable cash collateral or debtor in possession financing order. If a written objection to a monthly invoice is timely filed, then the Debtors shall be authorized to pay the portion of the monthly invoice that is not in dispute, and the portion of the monthly invoice that is in dispute

shall be subject to the approval of this Court, unless such objection is withdrawn. GGG's and Ms. Goodman's fees and expenses are subject to the review of this Court as this Court deems necessary.

9. Notwithstanding the possible application of the Bankruptcy Rules, including Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

11. The Debtors shall, within three (3) business days hereof, serve a copy of this Order on all parties that received notice of the Motion, as well as all parties that have appeared in these cases and requested notice since the Debtors filed the Motion, and file a certificate of service evidencing such service.

AND IT IS SO ORDERED.

Prepared and presented by:

/s/ Däna Wilkinson

Däna Wilkinson
District Court I.D. No. 4663
LAW OFFICE OF DÄNA
WILKINSON
365-C East Blackstock Road
Spartanburg, SC 29301
864.574.7944 (Telephone)
864.574.7531 (Facsimile)
danawilkinson@danawilkinsonlaw.com

-and-

/s/ J. Michael Levensgood

Gary W. Marsh
Georgia Bar No. 471290
J. Michael Levensgood
Georgia Bar No. 447934
Bryan E. Bates
Georgia Bar No. 140856
MCKENNA LONG & ALDRIDGE
LLP
303 Peachtree Street, Suite 5300
Atlanta, Georgia 30308
404-527-4000 (phone)
404-527-4198 (fax)
gmarsh@mckennalong.com
mlevengood@mckennalong.com
bbates@mckennalong.com

*Proposed Attorneys for Debtors and
Debtors in Possession*