

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

Case No. 12-01220

**ORDER AUTHORIZING DEBTORS (I) TO PAY CERTAIN  
ACCRUED PRE-PETITION WAGES, EMPLOYEE BENEFITS, TAXES AND  
RELATED CLAIMS, AND (II) FOR FINANCIAL INSTITUTIONS TO HONOR AND  
PROCESS CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS**

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

**FILED BY THE COURT  
03/05/2012**



Entered: 03/05/2012

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.,<sup>1</sup> d/b/a The Cliffs Golf & Country Club,**

**Debtors.**

**CHAPTER 11**

**Case No. 12-01220**

**Joint Administration**

**ORDER AUTHORIZING DEBTORS (I) TO PAY CERTAIN  
ACCRUED PRE-PETITION WAGES, EMPLOYEE BENEFITS, TAXES AND  
RELATED CLAIMS, AND (II) FOR FINANCIAL INSTITUTIONS TO HONOR AND  
PROCESS CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS**

Upon the motion [Docket Entry No. 20] (the "Motion")<sup>2</sup> of the Debtors for an order authorizing, but not directing, the Debtors to: (i) pay pre-petition wages, salaries, employee benefits and other compensation, and (ii) for financial institutions to honor and process checks and transfers related to such obligations, and upon the Cherry Declaration; and due and sufficient notice of the Motion having been given under the particular circumstances; and it appearing that no other or further notice need be provided; and it appearing that the relief requested by the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and after due deliberation thereon; and sufficient cause appearing therefor, it is hereby

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<sup>1</sup> 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).

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

**ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is GRANTED.

2. The Debtors are authorized, subject to (i) the limitations set forth in sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code, and (ii) to the terms of the DIP Budget and the Financing Orders, in the Debtors' sole discretion, to pay the Employee Obligations that have accrued but remain unpaid (including those amounts that remain unpaid as a result of dishonorment of checks due to the filing of the above-captioned bankruptcy cases) as of the Petition Date to or for the benefit of their Employees, provided that (i) the Debtors shall make no transfer pursuant to section 503(c) of the Bankruptcy Code without further Order of this Court, and (ii) the Debtors' authority to pay annual discretionary bonuses now owing to their Employees 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**, and the Debtors shall make no payment of annual discretionary bonuses until further Order of this Court following such hearing.

3. The Banks are authorized and directed, when requested by the Debtors, to receive, process, honor and pay all checks presented for payment of, and to honor all funds transfer requests made by the Debtors related to Employee Obligations, whether such checks were presented or funds transfer requests were submitted prior to or after the Petition Date, provided that funds are available in the Debtors' accounts to cover such checks and funds transfers. The Banks are authorized to rely on the Debtors' designation of any particular check or funds transfer as approved by this Order.

4. Nothing in the Motion or this Order, nor the Debtors' payment of claims pursuant to this Order, shall be deemed or construed as: (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any claim on any grounds; (c) a promise to pay any claim; (d) an implication or admission that any particular claim is a claim for any Employee Obligations; or (e) an express or implied assumption of any contract.

5. No payments authorized herein will be made in violation of 503(c) of the Bankruptcy Code.

6. The requirements of Bankruptcy Rule 6004(a) are waived.

7. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

8. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the contents of the Motion.

9. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order

10. 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 Chapter 11 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 Levengood  
Gary W. Marsh  
Georgia Bar No. 471290  
J. Michael Levengood  
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*

Certificate of Notice Page 6 of 7  
United States Bankruptcy Court  
District of South Carolina

In re:  
The Cliffs Club & Hospitality Group, Inc  
Debtor

Case No. 12-01220-jw  
Chapter 11

**CERTIFICATE OF NOTICE**

District/off: 0420-7

User: porth  
Form ID: pdf01

Page 1 of 2  
Total Noticed: 4

Date Rcvd: Mar 05, 2012

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Mar 07, 2012.

- db +The Cliffs Club & Hospitality Group, Inc., 3598 Highway 11, Travelers Rest, SC 29690-3598
- aty +William L Rothschild, Ogier Rothschild Rosenfield & Ellis-Mono, 170 Mitchell Street SW, Atlanta, GA 30303-3441
- cr Cliffs Members AD Hoc Group, Inc., c/o Jonathan Alter, One State St., Hartford, CT 06103-3178
- cr +Helena Chemical Company, c/o M. Kevin McCarrell, Smith Moore Leatherwood LLP, 300 East McBee Avenue, Suite 500, Greenville, SC 29601-2882

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.  
NONE. TOTAL: 0

\*\*\*\*\* BYPASSED RECIPIENTS \*\*\*\*\*

NONE. TOTAL: 0

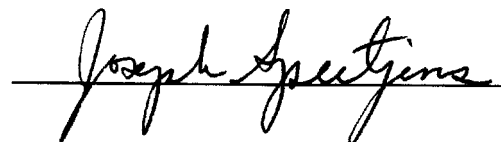
Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.  
USPS regulations require that automation-compatible mail display the correct ZIP.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Mar 07, 2012

Signature:



District/off: 0420-7

User: porth  
Form ID: pdf01

Page 2 of 2  
Total Noticed: 4

Date Rcvd: Mar 05, 2012

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on March 5, 2012 at the address(es) listed below:

BMC Group, Inc. bmc-cliffs@bmcgroup.com  
Dana Elizabeth Wilkinson on behalf of Debtor The Cliffs Club & Hospitality Group, Inc.  
danawilkinson@charter.net, dwecefmail@gmail.com  
Elizabeth J. Philp on behalf of Creditor Wells Fargo Bank, National Association  
lphilp@mcnair.net, rmobley@mcnair.net  
John B. Butler on behalf of Creditor Cliffs Members AD Hoc Group, Inc. jbbiii@bellsouth.net  
Joseph F. Buzhardt on behalf of U.S. Trustee US Trustee's Office USTPRegion04.CO.ECF@usdoj.gov,  
robert.b.doyle@usdoj.gov  
Julio E. Mendoza on behalf of Interested Party Carlile Development Company, LLC  
rmendoza@nexsenpruet.com, ecf@nexsenpruet.com  
Linda Barr on behalf of U.S. Trustee US Trustee's Office linda.k.barr@usdoj.gov  
Michael Kevin McCarrell on behalf of Creditor Helena Chemical Company  
kevin.mccarrell@smithmoorelaw.com, betty.ward@smithmoorelaw.com; kim.harmstad@smithmoorelaw.com  
Michael M. Beal on behalf of Creditor Wells Fargo Bank, National Association mbeal@mcnair.net,  
astokes@mcnair.net  
US Trustee's Office USTPRegion04.CO.ECF@usdoj.gov

TOTAL: 10