

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

Case No. 12-01220

**ORDER AUTHORIZING THE PAYMENT OF PREPETITION TRUST FUND TAXES
IN THE ORDINARY COURSE OF BUSINESS**

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

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



Entered: 03/05/2012

A handwritten signature in cursive script that reads "John E. Waites". The signature is written in black ink and is positioned above a horizontal line.

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 THE PAYMENT OF PREPETITION TRUST FUND TAXES
IN THE ORDINARY COURSE OF BUSINESS**

This matter coming before the Court on the Motion for Entry of an Order Authorizing the Payment of Prepetition Trust Fund Taxes in the Ordinary Course of Business [Docket Entry No. 26] (the “Motion”),² filed by the above-captioned debtors and debtors in possession (the “Debtors”); and the Court having reviewed the Motion and the Cherry Declaration and having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court (the “Hearing”); and 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; and after due deliberation the Court having determined that the relief requested in

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.

the Motion is necessary and essential for the Debtors' reorganization and such 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 Debtors are authorized, but not directed, to pay all Trust Fund Taxes, including, but not limited to, prepetition sales, use and other trust fund type taxes (however denominated) due and owing to all federal, state and local Taxing Authorities; provided, however, that payments authorized to be made pursuant to this Order shall not exceed \$200,000.
3. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained, hereunder shall be subject to the requirements imposed on the Debtors under any approved debtor in possession financing facility, any budget in connection therewith, and any order regarding the use of cash collateral.
4. Nothing in this Order or the Motion shall be construed as prejudicing any rights the Debtors may have to contest the amount or validity of any Trust Fund Tax or other trust fund-type tax obligations allegedly due to any Taxing Authority.
5. Notwithstanding the possible applicability of Rules 6003 and 6004(h) of the Federal Rules of Bankruptcy Procedure or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
6. This Court shall, and hereby does, retain jurisdiction with respect to all matters arising from or related to the implementation and interpretation of this Order.

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 5 of 6
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

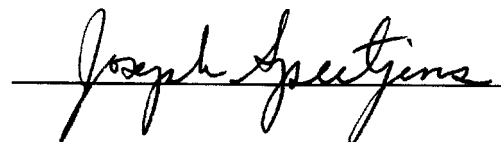
Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

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