

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

In re:

CCHG Liquidation Co.,

Debtor.

CHAPTER 11

Case No. 12-01220

Substantively Consolidated

MOTION TO FURTHER EXTEND CLAIMS OBJECTION DEADLINE

COMES NOW CCHG Liquidation Co., the above-captioned substantively consolidated debtor (the “Debtor”), by and through undersigned counsel, and hereby moves the Court (this “Motion”) for the entry of an order further extending the deadline for the Debtor and the Liquidation Trustee (as defined below) to file objections to claims asserted against The Cliffs Club & Hospitality Group, Inc. and its affiliated debtors.¹ In support of this Motion, the Debtor respectfully represents as follows:

¹ The debtors (now substantively consolidated as the single Debtor), followed by the last four digits of their respective taxpayer identification numbers and chapter 11 case numbers, are as follows: The Cliffs Club & Hospitality Group, Inc. n/k/a CCHG Liquidation Co. (6338) (12-01220); CCHG Holdings, Inc. (1356) (12-01223); The Cliffs at Mountain Park Golf & Country Club, LLC n/k/a CCHG Liquidation Co. II, LLC (2842) (12-01225); The Cliffs at Keowee Vineyards Golf & Country Club, LLC n/k/a CCHG Liquidation Co. III, LLC (5319) (12-01226); The Cliffs at Walnut Cove Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IV, LLC (9879) (12-01227); The Cliffs at Keowee Falls Golf & Country Club, LLC n/k/a CCHG Liquidation Co. V, LLC (3230) (12-01229); The Cliffs at Keowee Springs Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VI, LLC (2898) (12-01230); The Cliffs at High Carolina Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VII, LLC (7576) (12-01231); The Cliffs at Glassy Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VIII, LLC (6559) (12-01234); The Cliffs Valley Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IX, LLC (6486) (12-01236); and Cliffs Club & Hospitality Service Company, LLC n/k/a CCHG Liquidation Co. X, LLC (9665) (12-01237).

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue is proper before this Court under 28 U.S.C. §§ 1408 and 1409.

FACTUAL BACKGROUND

2. On February 28, 2012 (the “Petition Date”), The Cliffs Club & Hospitality Group, Inc. and its affiliated debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

3. On February 29, 2012, the Court entered an order designating the debtors’ Chapter 11 cases as complex Chapter 11 cases pursuant to Rule 2081-2 of the Local Rules for the United States Bankruptcy Court for the District of South Carolina [Docket Entry No. 51].

4. A description of the Debtors’ businesses, the reasons for filing the debtors’ Chapter 11 cases, and the relief sought from this Court to allow for a smooth transition into operations under Chapter 11 are set forth in the Declaration of Timothy P. Cherry in Support of First Day Motions (the “Cherry Declaration”), which has been filed with the Court [Docket Entry No. 44].

5. On July 2, 2012, the debtors filed their First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor dated June 30, 2012, as amended [Docket Entry No. 616, Ex. A] (the “Plan”)² and the First Amended and Restated Disclosure Statement to Accompany the First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor [Docket Entry No. 480] (the “Disclosure Statement”).

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan.

6. On August 17, 2012, this Court entered that certain Order Confirming First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor (the "Confirmation Order").

7. On August 31, 2012, the debtors filed that certain Notice of Occurrence of Effective Date of Chapter 11 Plan; Limitation of Notice; and Related Matters, reflecting that the Effective Date of the Plan occurred on August 23, 2012.

8. Pursuant to the confirmed Plan, Katie S. Goodman was appointed as the Liquidation Trustee (the "Liquidation Trustee") of the liquidating trust (the "Liquidating Trust") formed pursuant to the Plan for the benefit of holders of certain claims.

9. On October 1, 2012, this Court entered that certain Order Pursuant To Confirmed Plan Amending Case Dockets To Reflect Amended Corporate Names Of Debtors And Closing Substantively Consolidated Cases.

10. On November 20, 2012, the Debtor filed a motion [Docket Entry No. 737] to extend the Claims Objection Deadline (as defined below) from December 21, 2012 to June 19, 2013. On December 13, 2012, this Court entered an Order [Docket Entry No. 748] extending the Claims Objection Deadline to June 19, 2013.

RELIEF REQUESTED AND BASIS THEREFOR

11. Section 8.04 of Plan provides that the debtors (now the substantively consolidated Debtor) and the Liquidation Trustee have the right to file objections to claims asserted against the debtors. Section 8.04 of Plan further provides that that the deadline for filing and serving such objections is the "Claims Objection Deadline," which is defined under the Plan as: "(a) 120 days after the Effective Date; or (b) such other date as may be fixed by the Bankruptcy Court, whether fixed before or after the date specified in clause (a) above." By

Order of this Court, the current Claims Objection Deadline is June 19, 2013. For the reasons set forth herein, the Debtor respectfully requests that this Court extend the Claims Objection Deadline to December 31, 2013 to provide the Debtor and the Liquidation Trustee sufficient time to complete their review and analysis of the large number of claims filed against the debtors.

12. The debtors' cases, now substantively consolidated, are large, complicated matters with significant claims to review and administer. As set forth in the Cherry Declaration, as of the Petition Date, the debtors owed substantial claims to numerous parties, including in excess of \$64,050,000 in senior secured liabilities; almost \$1,500,000 in mechanics lien claims; accounts payable of over \$4,000,000; and over \$200,000,000 in potential club membership refunds to current and resigned club members. A very large number of claimants filed claims in the debtors' cases. As of the date of the filing of this Motion, 1,392 claims have been filed in the debtors' bankruptcy cases, asserting claims in excess of one billion dollars (\$1,000,000,000). Many claimants filed complex claims, claiming numerous types of claims in a single proof of claim. Many claimants filed claims that appear actually to be against affiliates of the debtors, rather than the debtors. Many claimants filed the same claim in all eleven of the debtors' cases. Each of the foregoing facts has complicated the review and analysis of the claims filed in these cases.

13. The Debtor and the Liquidation Trustee have made significant progress in the considerable task of reviewing the voluminous quantity of claims filed, analyzing the validity of the claims, comparing the claims to the debtors' schedules of liabilities, determining which claims are satisfied by the terms of the Plan, and determining which claims are objectionable. To date, the Debtor has filed approximately 145 claims objections objecting to more than 300 claims totaling approximately one-hundred and fifty million dollars

(\$150,000,000). Orders have been entered disallowing or otherwise resolving many of the claims objections filed, and almost 100 of the objections are currently before the Court.

14. Despite the best efforts of the Debtor and the Liquidation Trustee to complete the work, it is now evident that the June 19, 2013 deadline to complete the analysis of the claims filed and to prepare and serve all necessary claims objections is simply not enough time to complete this significant task.

15. The extension of time requested herein will not prejudice holders of appropriately allowable claims. First, the requested extension will not delay distributions to holders of appropriately allowable administrative, priority, and secured claims. The Debtor and the Liquidation Trustee believe they have completed the analysis of claims asserted as administrative, priority, and secured claims, and all holders of such claims that hold appropriately allowable claims in accordance with the debtors' books and records have been paid, or payments have commenced in accordance with the Plan. Moreover, all holders of allowed Administrative Convenience Claims have already been paid in full in accordance with the Plan. Second, the requested extension will not delay distributions to holders of appropriately allowable Class 5 general unsecured claims and Class 7 rejecting member claims. Under the Plan, holders of Class 5 general unsecured claims are entitled to receive their pro rata share of the General Unsecured Claims Fund, and holders of Class 7 rejecting member claims are entitled to receive their pro rata share of the combination of the Rejecting Member Fund and the net proceeds from the efforts of the Liquidation Trustee for the benefit of Class 7. At present, distributions to holders of allowed Class 5 claims are not anticipated to commence, at the earliest, until the first quarter of 2014, in light of the projected timing to complete the claims administration process and to resolve open contested matters relating thereto, even without the

extension requested herein. The Debtor and the Liquidation Trustee note, however, that efforts are being taken to complete the claims administration process as expeditiously as possible, and that the Liquidation Trustee endeavors to make initial distributions to holders of allowed Class 5 claims by year end 2013, if possible. Moreover, distributions to holders of Class 7 claims are not anticipated to commence, at the earliest, until 2014, in light of the anticipated lack of availability of net proceeds for distributions, even without the extension requested herein. Accordingly, the requested extension of the Claims Objection Deadline will in no way delay the anticipated timing of distributions to holders of allowable claims.

16. A comprehensive analysis of the claims filed against the debtors benefits the holders of legitimate claims against the debtors. For the benefit of the debtors' rightful creditors, and in the best interests of the Debtor's estate and all parties in interest, the Debtor requests that this Court grant this Motion to afford the Debtor and the Liquidation Trustee sufficient time to complete this important and necessary analysis. The Debtor and the Liquidation Trustee will endeavor to continue to complete the analysis and administration of the filed claims as expeditiously as possible.

17. In light of the foregoing, the Debtor respectfully submits that the requested further extension of the Claims Objection Deadline is appropriate.

NOTICE OF THIS MOTION

18. Notice of this Motion has been provided to the Liquidation Trustee, the United States Trustee, the Plan Sponsor and their respective counsel, and to other parties in interest who have requested notice after entry of the Confirmation Order, as listed in the certificate of service filed in connection herewith. In light of the nature of the relief requested, the Debtor submits that no other or further notice is necessary.

WHEREFORE, the Debtor respectfully requests that the Court enter an order substantially in the form attached hereto as Exhibit "A", and grant such other and further relief as the Court may deem just and proper.

Dated: May 8, 2013

Respectfully submitted,

/s/ Dána Wilkinson

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EXHIBIT A

PROPOSED ORDER

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

Case No. 12-01220

ORDER FURTHER EXTENDING CLAIMS OBJECTION DEADLINE

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

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

In re:

CCHG Liquidation Co.,

Debtor.

CHAPTER 11

Case No. 12-01220

Substantively Consolidated

ORDER FURTHER EXTENDING CLAIMS OBJECTION DEADLINE

Upon the motion [Docket Entry No. 1044] (the “Motion”)¹ of the above-captioned debtor (the “Debtor”) for entry of an order further extending the Claims Objection Deadline, as defined in the First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor dated June 30, 2012, as amended [Docket Entry No. 616, Ex. A] (the “Plan”); the Court having jurisdiction to consider the Motion and the relief requested therein; due notice of the Motion and opportunity for hearing having been given to all parties entitled thereto, as listed in the certificate of service attached to the Motion and filed with the Court; no objections to the Motion having been filed or asserted; the Court having determined that the relief sought in the Motion is in the best interests of the Debtor’s substantively consolidated bankruptcy estate, its creditors, and all parties in interest; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion.

2. The Claims Objection Deadline established by the Plan is hereby extended from June 19, 2013 to December 31, 2013. Subject to further Order of this Court, any objection to any claim of any kind asserted against one or more the debtors² shall be deemed timely filed and served provided that such objection is filed and served by no later than December 31, 2013.

3. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

AND IT IS SO ORDERED.

² The debtors (now substantively consolidated as the single Debtor), followed by the last four digits of their respective taxpayer identification numbers and chapter 11 case numbers, are as follows: The Cliffs Club & Hospitality Group, Inc. n/k/a CCHG Liquidation Co. (6338) (12-01220); CCHG Holdings, Inc. (1356) (12-01223); The Cliffs at Mountain Park Golf & Country Club, LLC n/k/a CCHG Liquidation Co. II, LLC (2842) (12-01225); The Cliffs at Keowee Vineyards Golf & Country Club, LLC n/k/a CCHG Liquidation Co. III, LLC (5319) (12-01226); The Cliffs at Walnut Cove Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IV, LLC (9879) (12-01227); The Cliffs at Keowee Falls Golf & Country Club, LLC n/k/a CCHG Liquidation Co. V, LLC (3230) (12-01229); The Cliffs at Keowee Springs Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VI, LLC (2898) (12-01230); The Cliffs at High Carolina Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VII, LLC (7576) (12-01231); The Cliffs at Glassy Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VIII, LLC (6559) (12-01234); The Cliffs Valley Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IX, LLC (6486) (12-01236); and Cliffs Club & Hospitality Service Company, LLC n/k/a CCHG Liquidation Co. X, LLC (9665) (12-01237).

Prepared and presented by:

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