

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

**DEBTORS' MOTION FOR EMERGENCY HEARING ON MOTION OF THE
DEBTORS FOR ENTRY OF AN ORDER AUTHORIZING
THE DEBTORS TO PAY CERTAIN PREPETITION CLAIMS OF
ALCOHOLIC BEVERAGE CLAIMANTS**

PLEASE TAKE NOTICE THAT the undersigned, on behalf of The Cliffs Club & Hospitality Group, Inc. and its affiliated debtors in the above-captioned Chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors"), does hereby move before this Court for an order granting an emergency hearing on the Debtors' motion for entry of an order authorizing the Debtors to pay certain prepetition claims of alcoholic beverage vendors (the "Motion"), filed contemporaneously herewith. In support of this request for an emergency hearing, and pursuant to SC LBR 9013-1(d), the Debtors state as follows:

Pursuant to the Motion, the Debtors seek authority to pay certain prepetition claims of alcoholic beverage vendors. As described in more detail in the Motion, the Debtors have

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).

identified various vendors with prepetition claims for payments who sold the Debtors alcoholic beverages who, pursuant to various state laws in jurisdictions in which the Debtors operate, must be paid for such goods at the time of delivery (collectively, the "Beverage Claimants"). Compliance with the various state laws in the states in which the Debtors operate requires that the Debtors pay such vendors via cash or check on delivery. If such vendors are not paid, state liquor licensing agencies may terminate or suspend the Debtors' liquor licenses, severely disrupting their business operations. As of the Petition Date, the Debtors have issued checks in the approximate aggregate amount of \$21,500 to Beverage Claimants for beverages delivered prior to the Petition Date, but certain of such checks have likely not cleared (collectively, the "Beverage Claims"). The Beverage Claims were "paid" prior to the Petition Date, but became prepetition claims only as a result of the fact that such checks have not cleared before the commencement of these chapter 11 cases.

In light of the fact that the continued delivery of alcoholic beverages by the Beverage Claimants is critical to the Debtors' businesses, and to avoid any termination or suspension of the Debtors' liquor licenses, by the Motion the Debtors request authority to direct the financial institutions at which the Debtors maintain their accounts relating to the payment of Beverage Claims to honor checks presented for payment of Beverage Claims and all fund transfer requests made by the Debtors related thereto, to the extent that sufficient funds are on deposit in such accounts.

The Debtors' failure to pay the Beverage Claims, and the resultant potential termination or suspension of the Debtors' liquor licenses, would result in immediate and irreparable harm to their estates. Thus, the Debtors respectfully request that this matter be heard on an emergency basis, at the earliest possible time. Counsel for the Debtors certifies that representatives of the

Debtors have made substantial good faith efforts to resolve these matters with other parties in interest to this Motion, but such efforts have been unsuccessful.

WHEREFORE, the Debtors respectfully request that the Court enter an order granting their request for an emergency hearing on the Motion.

Dated: February 28, 2012

Respectfully submitted,

/s/ Däna Wilkinson

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-and-

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