

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

Jointly Administered

STIPULATION REGARDING BAR DATE MOTION

This stipulation is made as of this 9th day of May 2012 by and among the debtors and debtors in possession in the above-captioned Chapter 11 cases (the "Debtors") and Wells Fargo Bank, National Association in its capacity as indenture trustee (the "Indenture Trustee") for the holders of certain Notes (as defined below). The Debtors and the Indenture Trustee are collectively referred to herein as the "Parties".

RECITALS

WHEREAS, on February 28, 2012 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the "Chapter 11 Cases") by filing a petition for relief in the United States Bankruptcy Court for the District of South Carolina (the "Bankruptcy Court").

WHEREAS, the Indenture Trustee is the trustee for the holders of certain notes (the "Notes") that were issued in the aggregate principal amount of \$64,050,000 pursuant to that certain Indenture dated April 30, 2010 (the "Indenture") between the Cliffs Club & Hospitality Group, Inc. ("ClubCo"), certain Guarantors (the "Guarantors"), and the Indenture Trustee. Under the Indenture, there are two series of Notes, the Series A Notes (the "Series A Notes") which were issued in the original principal amount of \$39,800,000 and the Series B Notes (the "Series B Notes" and with the Series A Notes, the "Notes") which were issued in the original principal amount of \$24,250,000. The obligations created by the Notes and any of the other Note Documents (as defined below) are referred to herein as the "Note Obligations".

WHEREAS, on March 30, 2012, the Debtors filed a motion [Docket Entry No. 221] (the "Motion") seeking entry of an order (i) establishing certain bar dates for filing proofs of claim, (ii) approving bar date notice and mailing and publication procedures, (iii) implementing

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 (7576); The Cliffs at Glassy Golf & Country Club, LLC (6559); The Cliffs Valley Golf & Country Club, LLC (6486); and Cliffs Club & Hospitality Service Company, LLC (9665).

uniform procedures regarding section 503(b)(9) claims, and (iv) providing certain supplemental relief. The order (the "Bar Date Order") approving the Motion was entered by the Bankruptcy Court on April 10, 2012.

WHEREAS, paragraph 11 of the Bar Date Order provides in relevant part:

"The following Entities **do not** need to file proofs of claim:

* * *

(e) any Entity asserting a claim **solely** for a refundable membership or initiation deposit and/or an amount due under the Notes, **and**, with respect to the refundable membership or initiation deposit claim, the Entity agrees with the description and amount of such Prepetition Claim as identified in the Schedules;"

See Bar Date Order, at ¶ 11 (bold in original).

WHEREAS, paragraph 13 of the Bar Date Order provides:

"Any Entity asserting a claim **solely** for a refundable membership or initiation deposit will be deemed to have filed a timely contingent claim in the amount and of the type as set forth in Schedule F of each of the Debtor's Schedules of Assets and Liabilities filed on March 30, 2012, wherein each such refundable membership or initiation deposit claim is denominated as a contingent "Member Initiation Deposit" in a specified amount (a copy of each Debtor's Schedule F may be obtained at the website maintained for these cases by the Claims Agent at the address www.bmcgroup.com/cliffs). Any Entity asserting any claim in addition to a claim for a refundable membership or initiation deposit (or other amounts included in Paragraph 11(a) – (f) of this Order for which a proof of claim need not be filed, including but not limited to a claim with respect to any obligation under the Notes) **must file a separate proof of claim as to such claim or it will not be deemed to have filed a proof of claim with regard to any such non-membership or initiation deposit claim(s)**. Nothing herein precludes any Entity from filing a separate proof of claim in accordance with the procedures set forth herein.

See Bar Date Order, at ¶ 13 (bold in original).

WHEREAS, the Debtors' schedules list each membership or initiation deposit as being unsecured.

WHEREAS, the Indenture Trustee asserts that pursuant to Section 3.1 of the Pledge and Security Agreement dated as of April 30, 2010 (the "Agreement") the Membership Deposit Obligations (as defined in the Collateral Trust Agreement dated April 30, 2010 (the "Collateral

Trust Agreement”) owed to the holders of the Notes are secured by the Collateral (as defined in the Agreement).

WHEREAS, pursuant to the Collateral Trust Agreement, the liens securing the Membership Deposit Obligations are subordinate to those securing the Note Obligations and therefore, depending upon the future events in these Bankruptcy Cases it may not be necessary to determine whether the Membership Deposit Obligations are secured obligations.

WHEREAS, the Parties hereto, recognizing the costs, expenses and burden inherent in requiring each holder of the Notes to file a proof of claim asserting that such holder’s Membership Deposit Obligation is secured, hereby agree to the following:

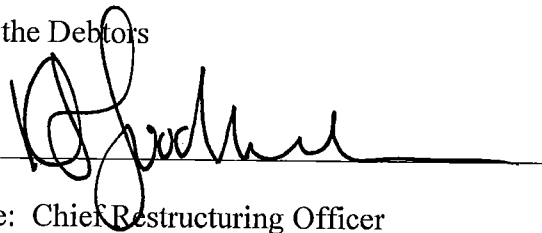
1. **No Need for Noteholders To Assert Secured Status of Membership or Initiation Deposits.** Holders of Notes shall not be required to file a proof of claim solely to assert the secured status of a refundable membership or initiation deposit. Nothing herein shall affect the requirement in the Bar Date Order that if a holder of the Notes disagrees with the amount of a membership or initiation deposit as listed in the Debtors’ schedules, such holder must file a proof of claim in order to contest such amount.

2. **Determination of Secured Status.** In the event it becomes necessary or beneficial to determine the secured status of the refundable membership or initiation deposits of the holders of the Notes, the Indenture Trustee or the Debtors may, prior to confirmation of any plan of reorganization in these cases, file an appropriate motion with the Court, and all parties reserve their respective rights with respect thereto.

For the Debtors

Wells Fargo Bank, NA as Indenture Trustee

By:



By:

Title: Chief Restructuring Officer

Title:

Trust Agreement")) owed to the holders of the Notes are secured by the Collateral (as defined in the Agreement).

WHEREAS, pursuant to the Collateral Trust Agreement, the liens securing the Membership Deposit Obligations are subordinate to those securing the Note Obligations and therefore, depending upon the future events in these Bankruptcy Cases it may not be necessary to determine whether the Membership Deposit Obligations are secured obligations.

WHEREAS, the Parties hereto, recognizing the costs, expenses and burden inherent in requiring each holder of the Notes to file a proof of claim asserting that such holder's Membership Deposit Obligation is secured, hereby agree to the following:

1. **No Need for Noteholders To Assert Secured Status of Membership or Initiation Deposits.** Holders of Notes shall not be required to file a proof of claim solely to assert the secured status of a refundable membership or initiation deposit. Nothing herein shall affect the requirement in the Bar Date Order that if a holder of the Notes disagrees with the amount of a membership or initiation deposit as listed in the Debtors' schedules, such holder must file a proof of claim in order to contest such amount.

2. **Determination of Secured Status.** In the event it becomes necessary or beneficial to determine the secured status of the refundable membership or initiation deposits of the holders of the Notes, the Indenture Trustee or the Debtors may, prior to confirmation of any plan of reorganization in these cases, file an appropriate motion with the Court, and all parties reserve their respective rights with respect thereto.

For the Debtors

Wells Fargo Bank, NA as Indenture Trustee

By: _____

By: Michael J. Glade

Title: _____

Title: Vice President