

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

**PLAN SUPPLEMENT TO THE
JOINT CHAPTER 11 PLAN FILED BY THE DEBTORS AND THE PLAN SPONSOR**

COME NOW 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”), having filed the Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor (the “Plan”)² and Disclosure Statement to accompany the Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor (the “Disclosure Statement”), and hereby file this Plan Supplement to provide certain information supplemental to the Plan, as described below and attached hereto:

- 1) Attached hereto as attachment 1 is the Asset Purchase Agreement;

¹ The Debtors, 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. (6338) (12-01220); CCHG Holdings, Inc. (1356) (12-01223); The Cliffs at Mountain Park Golf & Country Club, LLC (2842) (12-01225); The Cliffs at Keowee Vineyards Golf & Country Club, LLC (5319) (12-01226); The Cliffs at Walnut Cove Golf & Country Club, LLC (9879) (12-01227); The Cliffs at Keowee Falls Golf & Country Club, LLC (3230) (12-01229); The Cliffs at Keowee Springs Golf & Country Club, LLC (2898) (12-01230); The Cliffs at High Carolina Golf & Country Club, LLC (7576) (12-01231); The Cliffs at Glassy Golf & Country Club, LLC (6559) (12-01234); The Cliffs Valley Golf & Country Club, LLC (6486) (12-01236); and Cliffs Club & Hospitality Service Company, LLC (9665) (12-01237).

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

- 2) Attached hereto as attachment 2 is the Mountain Park Facility and documents related thereto;
- 3) Attached hereto as attachment 3 is the Exit Facility and documents related thereto;
- 4) Attached hereto as attachment 4 is the Subordination and Intercreditor Agreement by and among Cliffs Club Holdings, Cliffs Club Partners and Indenture Trustee;
- 5) Attached hereto as attachment 5 are the Liquidating Trust Documents, including the form of the Liquidating Trust Agreement and the name and address of the Liquidation Trustee;
- 6) Attached hereto as attachment 6 is the form of release agreements by D&O Releasees;
- 7) Attached hereto as attachment 7 is a list of present and former officers and directors of the Debtors and Cliffs Communities, Inc., and lists of the directors of The Cliffs Member Ad Hoc Group and members of CIPOC, the Negotiating Group and the Advisory Board who are subject to release provisions of the Plan;
- 8) Attached hereto as attachment 8 is a description of the use of the Mountain Park Facility;
- 9) Attached hereto as attachment 9 is evidence of the commitment by the Plan Sponsor, or an Affiliate of the Plan Sponsor, of up to eighty five million dollars (\$85,000,000) to acquire, joint venture, land bank or otherwise gain control of lots, and certifications of available funds held by the Plan Sponsor in the amount of \$38,000,000;
- 10) Attached hereto as attachment 10 is a chart of certain preference claims, other avoidance claims and accounts receivable claims that are being assigned to the Liquidating Trust; and
- 11) Attached hereto as attachment 11 is the Master Lease by and between Indenture Trustee SPE and Cliffs Club Partners.

**EACH OF THE ABOVE-DESCRIBED DOCUMENTS IS A DRAFT AND
IS SUBJECT TO CHANGE.**

[signature follows]

Dated: June 30, 2012

Respectfully submitted,

/s/ Däna Wilkinson

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-and-

/s/ J. Michael Levengood

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