

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

Case No. 12-01220

**CONSENT ORDER REGARDING MOTION AS TO APPLICATION OF STAY BY
GENERAL ELECTRIC CAPITAL CORPORATION AND GENERAL ELECTRIC
COMMERCIAL, INC.**

The relief set forth on the following pages, for a total of 7 pages including this page, is hereby **ORDERED**.

**FILED BY THE COURT
07/11/2012**



Entered: 07/11/2012

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

Jointly Administered

**CONSENT ORDER REGARDING MOTION AS TO APPLICATION OF STAY BY
GENERAL ELECTRIC CAPITAL CORPORATION AND GENERAL ELECTRIC
COMMERCIAL, INC.**

This matter is before the Court on the Motion as to Application of Stay by General Electric Capital Corporation and General Electric Commercial, Inc. [Docket Entry No. 410] (the “Motion”),² requesting entry of an order that the automatic stay imposed by 11 U.S.C. § 362(a) does not apply to any action that General Electric Capital Corporation and General Electric Commercial, Inc. (collectively, and with their agents, affiliates and assigns, “GE”) may wish to pursue with respect to certain golf cart and equipment leases under which GE claims to be the lessor and with respect to which one or more of the above-captioned debtors (the “Debtors”) is in possession of the leased property.

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

As detailed in the Motion, GE asserts that it is the lessor with respect to the equipment leases identified in the Motion, copies of which are attached thereto as Tabs A, A-1, A-2, A-3, A-4, B, B-1, and B-2 (collectively, the "Equipment Leases"). Having reviewed the Motion and the record; the Court being advised that the Debtors consent to the relief set forth herein, as evidenced by the signatures of their counsel below; the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and good cause existing to grant the relief set forth herein,

IT IS HEREBY ORDERED THAT:

1. Until confirmation of a Chapter 11 plan in the above-captioned cases, for so long as the Debtors desire to retain possession and use of the items of equipment identified in the Equipment Leases, the Debtors shall continue to remit payments to GE in accordance with the monthly payment obligations set forth in the Equipment Leases.

2. In accordance with 11 U.S.C. § 365(d)(2) and the First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and Plan Sponsor (the "Plan"), if the Debtors elect to assume any or all of the Equipment Leases, then the Debtors must indicate such election on or before the hearing on the confirmation of the Plan (scheduled for August 6, 2012) by the filing of a Plan Supplement (as defined in the Plan) modifying the Schedule of Assumed Contracts (as defined in the Plan) to add the Equipment Leases that the Debtors have elected to assume to the list of executory contracts or unexpired leases to be assumed and assigned in accordance with the terms of Article VI of the Plan.

3. Within five (5) days of this Order becoming a final, non-appealable order, the Debtors shall remit \$23,449.59 to GE, payable in the same manner and method in which the Debtors ordinarily remit payments under the Equipment Leases. GE shall apply such payment to the outstanding prepetition balances owing under the Equipment Leases; thus, upon such

payment and the Debtors' continuing payments described in paragraph 1 above, any and all payment obligations under the Equipment Leases shall be deemed current and not in default in any way.

4. Provided that the Debtors remit the above-described payments to GE, GE shall not pursue any rights or remedies under the terms of the Equipment Leases or under applicable state or federal law with respect to any alleged default under the Equipment Leases or otherwise, and GE shall not take any action to disturb in any way the Debtors' possession and use of each and every item of equipment identified in the Equipment Leases.

5. In the event that the Debtors fail to remit the above-described payments to GE, then GE may serve a notice of default stating the circumstances of default, which notice of default must be served upon the Debtors, undersigned counsel for the Debtors, and the U.S. Trustee via first class U.S. mail and certified mail return receipt requested. If the default is not cured by the Debtors within ten (10) business days after receipt of the notice of default, then GE may file with this Court an affidavit and proposed order granting relief from the stay with respect to the Equipment Leases, and the Court may grant such relief from the automatic stay without further notice or hearing to authorize GE to pursue its rights and remedies under the terms of the Equipment Leases and applicable law, except to the extent that GE has otherwise reached an agreement with the Debtors and/or the Plan Sponsor³ pursuant to which the Debtors and/or the Plan Sponsor, or their agents or assigns, are permitted to retain possession of any item of equipment identified in the Equipment Leases.

6. To the extent that the Debtors elect to assume and cure any of the Equipment Leases pursuant to a confirmed Chapter 11 plan, the provisions of such confirmed plan shall

³ As defined in the Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor [Docket Entry No. 365].

govern the rights and obligations of the Debtors, the Plan Sponsor and GE with respect to any such Equipment Lease and the equipment subject thereto.

7. The automatic stay provisions of section 362 of the Bankruptcy Code are modified as to GE and the Equipment Leases to the extent necessary to implement the terms of this Consent Order.

8. This Court shall retain jurisdiction over any and all matters arising from or related to the interpretation and implementation 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 Levensgood
Gary W. Marsh
Georgia Bar No. 471290
J. Michael Levensgood
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

Attorneys for the Debtors and Debtors in Possession

Consented to by:

/s/ James W. Sheedy

James W. Sheedy
Federal I.D. 3813
Susan E. Driscoll
Federal I.D. 9377
11520 N. Community House Road
Suite 200
Charlotte, NC 28277
(704) 341-2101 phone
(704) 341-2105 fax
jimsheedy@driscollsheedy.com
sdriscoll@driscollsheedy.com

*Attorneys for General Electric
Capital Corporation and General
Electric Commercial, Inc.*

-and-

/s/ John B. Butler III

John B. Butler III
1217 Anthony Avenue
Columbia, SC 29201
Ph: 803-256-9661
Eml: jbbiii@bellsouth.net

Local Counsel to the Unsecured Creditors Committee

/s/ Jonathan B. Alter

Jonathan B. Alter
Bingham McCutchen LLP
One State Street
Hartford, CT 06103-3178
Ph : 860-240-2969
Fax: 860-240-2800
Eml: jonathan.alter@bingham.com

Counsel to the Unsecured Creditors Committee