

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

The Cliffs Club & Hospitality Group, Inc., et al., d/b/a The Cliffs Golf & Country Club,

Movant,

v.

Contested Matter

Robert A. Schneider, - Claim Nos. 834, 883, 884, 885, 886, 887, 888, 889, 890, 891 and 892

Respondent

DEBTORS' OBJECTION TO THE ALLOWANCE OF CLAIM NOS. 834, 883, 884, 885, 886, 887, 888, 889, 890, 891 AND 892 FILED BY ROBERT A. SCHNEIDER

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 (the "Debtors") and hereby object to the allowance of claims filed by Robert A. Schneider ("Schneider") in the

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).

above-styled cases (the “Objection”). In support of this Objection, the Debtors show the Court as follows:

I. Relief Requested

1. By this Objection, the Debtors respectfully request the entry of an order, pursuant to Section 502 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3007, disallowing claims filed by Schneider in the above-styled cases.

II. Jurisdiction

2. This Court has jurisdiction over this Objection under 28 U.S.C. § 1334. Venue of this proceeding is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

III. Background

3. On February 28, 2012 (the “Petition Date”), the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

4. On March 12, 2012, the United States Trustee appointed the Official Committee of Unsecured Creditors (the “Committee”) in these Chapter 11 cases pursuant to that certain Fourth Amended Appointment of Committee of Unsecured Creditors [Docket Entry No. 141]. No trustee or examiner has been appointed in these Chapter 11 cases.

5. The Debtors are authorized to operate their businesses as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

6. On April 10, 2012, the Court established May 31, 2012 (the “Claims Bar Date”) as the deadline for non-governmental-entity creditors wishing to assert pre-petition claims

against the Debtors to file their proofs of claim with BMC Group, Inc., the Debtors' claims and noticing agent (the "Claims Agent") [Docket Entry No. 278].

7. On or about May 22, 2012, Schneider filed eleven (11) functionally identical unsecured non-priority claims against the Debtors, each in an unknown amount. The claims were assigned as claim numbers 834, 883, 884, 885, 886, 887, 888, 889, 890, 891 and 892 by the Claims Agent (collectively, the "Schneider Claims").

8. The Debtors have the authority to pursue claims litigation with respect to claims filed in these bankruptcy cases. The Debtors have reviewed proofs of claim filed in these cases. This Objection is the result of the Debtors' review.

IV. Basis for Relief Requested

9. First, claim numbers 883, 884, 885, 886, 887, 888, 889, 890, 891 and 892 are duplicative of claim number 834. The duplicative claims are unenforceable against the Debtors, and should be disallowed. Unless the claims that duplicate claim number 834 are disallowed, Schneider may receive a larger recovery than that to which he is entitled.

10. Second, the documents and materials submitted with the Schneider Claims reflect that none of the Debtors is liable to the claimant with respect to the asserted claims, and that, at best, a third party non-Debtor entity (namely, The Cliffs at High Carolina, LLC) may be liable to the claimant. The Debtors dispute that they are in any way liable to Schneider under the agreement enclosed with the Schneider Claims in support thereof, or otherwise with respect to the Schneider Claims. The Schneider Claims are unenforceable against the Debtors, and should be disallowed. Unless the Schneider Claims are disallowed, Schneider may receive a larger recovery than that to which he is entitled.

V. Reservation of Rights

11. The Debtors reserve the right to supplement this Objection and to subsequently object to the Schneider Claims on any other appropriate ground, whether or not stated herein. In addition, the Debtors reserve the right to object to any and all other claims filed in the Debtors' cases, and any other claims asserted by Schneider.

VI. Notice

12. Notice of this Objection has been provided to Schneider and each other party entitled to notice, as listed in the certificate of service filed in connection herewith. In light of the nature of the relief requested, the Debtors submit that no other or further notice is necessary.

WHEREFORE, the Debtors respectfully request that this Court:

1. enter the proposed order attached hereto as Exhibit "A";
2. disallow the Schneider Claims; and
3. grant the Debtors such other and further relief as is just and proper.

[signature follows]

This 20th day of July, 2012.

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EXHIBIT "A"

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

Case No. 12-01220

**ORDER APPROVING DEBTORS' OBJECTION
TO THE ALLOWANCE OF CLAIM NOS. 834, 883, 884, 885, 886, 887, 888, 889, 890, 891
AND 892 FILED BY ROBERT A. SCHNEIDER**

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:

The Cliffs Club & Hospitality Group, Inc., et al.,¹ d/b/a The Cliffs Golf & Country Club,

Debtors

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885, 886, 887, 888, 889, 890, 891 and 892**

Respondent

**ORDER APPROVING DEBTORS' OBJECTION
TO THE ALLOWANCE OF CLAIM NOS. 834, 883, 884, 885, 886, 887, 888, 889, 890, 891
AND 892 FILED BY ROBERT A. SCHNEIDER**

Upon the Objection (Docket Entry # _____) (the "Objection") of The Cliffs Club & Hospitality Group, Inc. and its affiliated debtors in the above-captioned Chapter 11 cases, as debtors and debtors-in-possession (the "Debtors"), requesting the entry of an order disallowing

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).

claims filed by Robert A. Schneider in the above-styled cases, the Court having jurisdiction to consider the Objection and the relief requested therein; a hearing having been held on _____, 2012 to consider the Objection; due notice of the Objection and hearing having been given to all parties entitled thereto, as listed in the certificate of service attached to the Objection and filed with the Court; it appearing that no other or further notice need be provided; no objections having been filed or asserted; the Court having determined that the relief sought in the Objection is in the best interests of the bankruptcy estates, their creditors, and all parties in interest; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED as follows:

1. The Objection is GRANTED.
2. Claim number 834 filed by Robert A. Schneider in the above-styled cases is disallowed.
3. Claim number 883 filed by Robert A. Schneider in the above-styled cases is disallowed.
4. Claim number 884 filed by Robert A. Schneider in the above-styled cases is disallowed.
5. Claim number 885 filed by Robert A. Schneider in the above-styled cases is disallowed.
6. Claim number 886 filed by Robert A. Schneider in the above-styled cases is disallowed.
7. Claim number 887 filed by Robert A. Schneider in the above-styled cases is disallowed.

8. Claim number 888 filed by Robert A. Schneider in the above-styled cases is disallowed.

9. Claim number 889 filed by Robert A. Schneider in the above-styled cases is disallowed.

10. Claim number 890 filed by Robert A. Schneider in the above-styled cases is disallowed.

11. Claim number 891 filed by Robert A. Schneider in the above-styled cases is disallowed.

12. Claim number 892 filed by Robert A. Schneider in the above-styled cases is disallowed.

13. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

AND IT IS SO ORDERED.

PREPARED AND PRESENTED BY:

/s/ Däna Wilkinson
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