

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH CAROLINA

IN RE:

CCHG Liquidation Co.,

Debtor

CHAPTER 11

Case No. 12-01220

Substantively Consolidated

**DEBTOR'S OMNIBUS OBJECTION TO THE ALLOWANCE OF CLUB MEMBER  
AND NOTE HOLDER CLAIMS FILED AS SECURED, PRIORITY, AND/OR  
ADMINISTRATIVE CLAIMS, WHICH CLAIMS ARE SUBJECT TO TREATMENT  
AND SATISFACTION UNDER CLASS 1 AND/OR CLASS 7 UNDER THE  
CONFIRMED PLAN**

**CLAIMANTS RECEIVING THIS OMNIBUS OBJECTION SHOULD  
LOCATE THEIR NAMES AND CLAIMS LISTED ON EXHIBIT A OF  
THIS OMNIBUS OBJECTION**

COMES NOW CCHG Liquidation Co., the above-captioned substantively consolidated debtor (the "Debtor"), and hereby files this omnibus objection (this "Objection") to the allowance of the claims listed on Exhibit A hereto, which claims were filed by: (i) Note Holders (as defined in the confirmed First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor dated June 30, 2012, as amended [Docket Entry No. 616, Ex. A] (the "Plan")) asserting that their Note Holder Claims (as defined in the Plan) are entitled to treatment and satisfaction as secured, priority, and/or administrative claims; and (ii) Club Members (as defined in the Plan) asserting that their Club Member Claims (as defined in the Plan) are entitled to treatment and satisfaction as secured, priority, and/or administrative claims. As further described below, in accordance with the Plan: (i) Note Holder Claims are subject to treatment and satisfaction as Class 1 claims under the Plan; and (ii) Club Member Claims are subject to treatment and satisfaction as Class 7 claims under the Plan. Neither Note Holder

Claims nor Club Member Claims are properly subject to treatment or satisfaction as secured, priority, and/or administrative claims under the Plan. In support of this Objection, the Debtor shows the Court as follows:

### **I. Relief Requested**

1. By this Objection, the Debtor respectfully requests the entry of an order, pursuant to Section 502 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3007, disallowing the claims listed on Exhibit A, as filed, on the basis that such claims are subject to appropriate treatment and satisfaction as Class 1 claims and/or Class 7 claims under the Plan. Subject to any other objection to such claims (see paragraph 14 below), the Debtor does not oppose allowance and satisfaction of such claims as Class 1 claims and/or Class 7 claims under the Plan.

### **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 Cliffs Club & Hospitality Group, Inc. and its affiliated debtors<sup>1</sup> filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

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<sup>1</sup> The debtors (now substantively consolidated as the single Debtor), 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. n/k/a CCHG Liquidation Co. (6338) (12-01220); CCHG Holdings, Inc. (1356) (12-01223); The Cliffs at Mountain Park Golf & Country Club, LLC n/k/a CCHG Liquidation Co. II, LLC (2842) (12-01225); The Cliffs at Keowee Vineyards Golf & Country Club, LLC n/k/a CCHG Liquidation Co. III, LLC (5319) (12-  
*(footnote continued on next page)*

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

5. 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 claims and noticing agent (the “Claims Agent”) [Docket Entry No. 278].

6. On July 2, 2012, the debtors filed the Plan, as well as the First Amended and Restated Disclosure Statement to Accompany the First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor [Docket Entry No. 480] (the “Disclosure Statement”).

7. On August 17, 2012, this Court entered that certain Order Confirming First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor (the “Confirmation Order”).

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*(footnote continued from previous page)*

01226); The Cliffs at Walnut Cove Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IV, LLC (9879) (12-01227); The Cliffs at Keowee Falls Golf & Country Club, LLC n/k/a CCHG Liquidation Co. V, LLC (3230) (12-01229); The Cliffs at Keowee Springs Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VI, LLC (2898) (12-01230); The Cliffs at High Carolina Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VII, LLC (7576) (12-01231); The Cliffs at Glassy Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VIII, LLC (6559) (12-01234); The Cliffs Valley Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IX, LLC (6486) (12-01236); and Cliffs Club & Hospitality Service Company, LLC n/k/a CCHG Liquidation Co. X, LLC (9665) (12-01237).

8. On August 31, 2012, the debtors filed that certain Notice of Occurrence of Effective Date of Chapter 11 Plan; Limitation of Notice; and Related Matters, reflecting that the Effective Date of the Plan occurred on August 23, 2012.

9. On October 1, 2012, this Court entered that certain Order Pursuant To Confirmed Plan Amending Case Dockets To Reflect Amended Corporate Names Of Debtors And Closing Substantively Consolidated Cases.

10. The Debtor has the authority to pursue claims litigation with respect to claims filed in the debtors' bankruptcy cases. The Debtor has reviewed proofs of claim filed in the debtors' bankruptcy cases. This Objection is the result of the Debtor's review.

#### **IV. Basis for Relief Requested**

11. The Note Holders and Club Members listed on Exhibit A filed Note Holder Claims and Club Member Claims as secured, priority, and/or administrative claims against the debtors and their estates. The Plan provides for specific treatment satisfying allowed Note Holder Claims and Club Member Claims, which treatment is different from the Plan provisions governing the treatment satisfying allowed secured, priority, and/or administrative claims.

12. The documents and materials submitted with the claims listed on Exhibit A reflect that none of the claims is allowable as a secured, priority, or administrative claim under the Plan. Moreover, the books and records of the debtors do not reflect any secured, priority, or administrative claim obligations owing to such claimants. If allowed (subject to any other objection to such claims, see paragraph 14 below), the claims listed on Exhibit A are subject to the Plan provisions governing the satisfaction of such claims. Accordingly, each of the claims listed on Exhibit A, as filed, is unenforceable against the debtors; rather, each listed claim is

subject to the specific Plan treatment satisfying Class 1 Note Holder Claims and Class 7 Club Member Claims. Unless the claims listed on Exhibit A are disallowed as filed, the claimants listed on Exhibit A will receive a larger recovery than that to which they are entitled with respect to their asserted claims.

13. Federal Rule of Bankruptcy Procedure 3007(d)(5) provides that objections to more than one claim may be joined in an omnibus objection in circumstances where the subject claims have been satisfied pursuant to a court order. In this case, pursuant to the Confirmation Order, allowed Note Holder Claims and Club Member Claims are to be satisfied in accordance with Plan provisions governing the treatment of Class 1 claims and Class 7 claims respectively. Accordingly, it is appropriate for the Debtor to join its objections to the claims listed on Exhibit A.

#### **V. Reservation of Rights**

14. The Debtor reserves the right to supplement this Objection and to subsequently object to the claims listed on Exhibit A on any other appropriate ground, whether or not stated herein. In addition, the Debtor reserves the right to object to any and all other claims filed in the debtors' cases, and any other claims asserted by the claimants listed on Exhibit A.

#### **VI. Notice**

15. Notice of this Objection has been provided to the claimants listed on Exhibit A 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 Debtor submits that no other or further notice is necessary.

**WHEREFORE**, the Debtor respectfully requests that this Court:

1. enter the proposed order attached hereto as Exhibit B;
2. disallow the claims listed on Exhibit A as filed, which claims are subject to specific Plan treatment satisfying such claims; and
3. grant the Debtor such other and further relief as is just and proper.

This 4<sup>th</sup> day of February, 2013.

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**EXHIBIT A**

**Class 1 and Class 7 Claims Asserted as Wholly or Partially Secured, Priority and/or Administrative Claims, which Claims are Subject to Treatment and Satisfaction as Class 1 Claims and/or Class 7 Claims Under the Confirmed Plan  
(See Pages 4-5 of Omnibus Objection)**

**CLAIMANTS RECEIVING THIS OMNIBUS OBJECTION SHOULD LOCATE THEIR NAMES AND CLAIMS LISTED BELOW**

<b>Claimant</b>	<b>Claim Number</b>	<b>Claim Amount</b>
ARMSTRONG, JEFF	725	\$50,000.00
ARMSTRONG, JEFFREY	726	\$56,969.86
ARMSTRONG, JEFF	727	\$56,969.86
BAUMGARDT, JAMES R	393	\$75,000.00
CARL R & CAROLYN S RENFRO REVOCABLE LIVING TRUST	1032	\$100,000.00
CARLILE JT WROS, STEVE B & PENNY	1163	\$100,000.00
CARLILE JT WROS, STEVE B & PENNY	1164	\$200,000.00
CARLILE, STEVE B & PENNY	1165	\$6,756.36
CARLILE, STEVE B & PENNY	1166	\$150,000.00
CARLILE, STEVE B & PENNY	1167	\$150,000.00
CARLILE JT WROS, STEVE B & PENNY	1168	\$200,000.00
CARLILE JT WROS, STEVE & PENNY	1169	\$100,000.00
CARLILE, STEVE B & PENNY	1170	\$6,756.36
CARLILE, STEVE B & PENNY	1171	\$150,000.00
CARLILE, STEVE B & PENNY	1172	\$150,000.00
CASAMENTO, SAM	635	\$100,000.00
CASTELLANOS, ELIAS	683	\$100,000.00
CASTELLANOS, ELIAS	684	\$100,000.00
CHARLES T MEYER III (REV TRUST)	243	\$75,000.00
CLAGGET, EDWARD R	645	\$147,000.00
CURRIE, ROSS	1161	\$125,000.00
CURRIE, ROSS	1162	\$125,000.00
DEJIACOMO, DAN	1115	\$388,507.97
DUTT, ASHOKE	1284	\$150,000.00
ENDRY, JOSEPH M	665	\$100,000.00
ENDRY, JOSEPH M	692	\$100,000.00
FLETCHER, DONALD	585	\$87,500.00
FRANCIS, WILLIAM	908	\$65,000.00
FRANCIS, WILLIAM R	1223	\$65,000.00
FREEMAN, JAMES W & JEAN P	1114	\$75,000.00
FRUCHTER, MARC A & SAUNDRA D	549	\$50,000.00
GOLDY, SUSAN E	799	\$9,180.00



GOLDY, SUSAN E	800	\$9,180.00
GRANT, CHUCK	1084	\$482,604.50
HAMER, DOUGLAS W	1350	\$17,500.00
HAMER, DOUGLAS W	924	\$5,000.00
HAMMOND, WILLIAM STEWART & JULIE ANNE	92	\$87,000.00
HAMMOND, STEWART	93	\$150,000.00
HARKER, RUSSELL	706	\$10,000.00
HEADLEY, RICHARD	1328	\$200,000.00
HOCKEMEIER, CURT	660	\$100,000.00
HODGES III, GENOUS S	594	\$80,000.00
HOFFMAN, DAVID	606	\$41,500.00
JONES, WILLIAM B	551	\$100,000.00
JORDAN, ROBERT B	798	\$375,000.00
KUCHARIK, JOHN M & GAIL M	101	\$41,500.00
KUCHARIK, JOHN M & GAIL M	102	\$75,000.00
LAPELLA, MICHAEL	702	\$35,000.00
LIPOMI, LOUIS	902	\$50,000.00
LOGAN, A SCOTT	1227	\$30,000.00
LUNN, ROBERT AND NORMA	740	\$35,000.00
LUNN, ROB	741	\$35,000.00
MACKEY OLIVER, CONSTANCE C	113	\$150,000.00
MARTINEZ, RAFAEL & JEANNE	94	\$25,000.00
MAUGERI, RONALD & THESESA	861	\$100,000.00
MINTON, GARY L	31	\$150,000.00
MINTON, GARY L	177	\$150,000.00
MOLENKAMP, JACK	900	\$150,000.00
MORRISS, THOMAS W	1158	\$125,000.00
MORRISS, THOMAS W	1159	\$12,110.00
NORTON, WILLIAM D & NANCY H	722	\$104,325.00
ORSON, TIM	194	\$53,000.00
PARSONS, JOAN M & DAVID J	955	\$100,000.00
PETER J RODGERS & BARBARA R WATKINS	816	\$6,305.09
PORTER, PATRICIA A AND ROBERT P	248	\$36,410.00
POWELL, H ROBERT	709	\$200,000.00
PRAGADA, ROBERT	1039	\$35,000.00
PRAGADA, ROBERT	1040	\$5,000.00
PRAGADA, ROBERT	1041	\$256.46
RADEKEVICH, SALLY A & ROMAN M	363	\$75,000.00
RALSTON, NANCY K	643	\$27,927.84
RATHGEBER, DAVID K	958	\$10,380.00
RUCKER, CRAIG	278	\$100,000.00
SCHMALTZ, JOSEPH MARTIN & ANNE V	110	\$145,000.00
SCHMALTZ, JOSEPH MARTIN & ANNE V	111	\$145,000.00
SCHWARTZ, DONALD	1149	\$10,380.00

SECOR JR, JTWROS, ALLEN F & JANET H	10	\$37,500.00
SHAW, WILLIAM A & FLONNIE B	44	\$10,000.00
SHAW, WILLIAM A & FLONNIE B	51	\$10,000.00
SHAW, WILLIAM A & FLONNIE B	53	\$10,000.00
SHAW, WILLIAM A & FLONNIE B	97	\$10,000.00
SKAWINSKI, STANLEY E	4	\$100,000.00
SKELTON, BRADLEY ALLAN	368	\$75,000.00
STEPHEN P GRAYSON, A PROFESSIONAL CORPORATION	849	\$100,000.00
STORM, ALAN L & DARY M	1311	\$150,000.00
STORZ, LOUIS F & CAROL L	822	\$35,000.00
STORZ, CAROL	823	\$171,000.00
THOMASON, MARVIN	640	\$50,000.00
THOMPkins, SANDRA P	126	\$54,596.78
TOWE, MARK	831	\$60,000.00
TOWE, MARK	832	\$100,000.00
TUCKER, TOM AND DEBORAH	1067	\$150,000.00
UPSTATE MORTGAGE	1204	\$12,000.00
VAUGHN, FLOYD	590	\$100,000.00
WILLIAMS MD, JACK OWEN	219	\$7,500.00
WILSON, GREGORY M & LAURA L	542	\$125,000.00
WILSON, GREGORY	543	\$100,000.00
ZEBEK, RONALD	291	\$75,000.00
ZEBEK, RONALD	292	\$150,000.00

**EXHIBIT B**

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

Case No. 12-01220

**ORDER APPROVING DEBTOR'S OMNIBUS OBJECTION TO THE ALLOWANCE  
OF CLUB MEMBER AND NOTE HOLDER CLAIMS FILED AS SECURED,  
PRIORITY, AND/OR ADMINISTRATIVE CLAIMS, WHICH CLAIMS ARE SUBJECT  
TO TREATMENT AND SATISFACTION UNDER CLASS 1 AND/OR CLASS 7 UNDER  
THE CONFIRMED PLAN**

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:

CCHG Liquidation Co.,

Debtor

CHAPTER 11

Case No. 12-01220

Substantively Consolidated

**ORDER APPROVING DEBTOR'S OMNIBUS OBJECTION TO THE ALLOWANCE OF CLUB MEMBER AND NOTE HOLDER CLAIMS FILED AS SECURED, PRIORITY, AND/OR ADMINISTRATIVE CLAIMS, WHICH CLAIMS ARE SUBJECT TO TREATMENT AND SATISFACTION UNDER CLASS 1 AND/OR CLASS 7 UNDER THE CONFIRMED PLAN**

Upon the Objection [Docket Entry # \_\_\_\_\_] (the "Objection")<sup>1</sup> of CCHG Liquidation Co., the above-captioned substantively consolidated debtor (the "Debtor"), requesting the entry of an order disallowing the claims listed on Exhibit A of the Objection as filed in the chapter 11 cases of The Cliffs Club & Hospitality Group, Inc. and its affiliated debtors;<sup>2</sup> the Court having jurisdiction to consider the Objection and the relief requested therein; a hearing having been held on \_\_\_\_\_, 2013 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

<sup>1</sup> Capitalized terms not defined herein shall have the meaning ascribed thereto in the Objection.

<sup>2</sup> The debtors (now substantively consolidated as the single Debtor), 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. n/k/a CCHG Liquidation Co. (6338) (12-01220); CCHG Holdings, Inc. (1356) (12-01223); The Cliffs at Mountain Park Golf & Country Club, LLC n/k/a CCHG Liquidation Co. II, LLC (2842) (12-01225); The Cliffs at Keowee Vineyards Golf & Country Club, LLC n/k/a CCHG Liquidation Co. III, LLC (5319) (12-01226); The Cliffs at Walnut Cove Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IV, LLC (9879) (12-01227); The Cliffs at Keowee Falls Golf & Country Club, LLC n/k/a CCHG Liquidation Co. V, LLC (3230) (12-01229); The Cliffs at Keowee Springs Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VI, LLC (2898) (12-01230); The Cliffs at High Carolina Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VII, LLC (7576) (12-01231); The Cliffs at Glassy Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VIII, LLC (6559) (12-01234); The Cliffs Valley Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IX, LLC (6486) (12-01236); and Cliffs Club & Hospitality Service Company, LLC n/k/a CCHG Liquidation Co. X, LLC (9665) (12-01237).

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 Debtor's substantively consolidated bankruptcy estate, its 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. The claims listed on Exhibit A of the Objection are disallowed as filed, such claims being subject to the provisions of the confirmed First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor dated June 30, 2012, as amended [Docket Entry No. 616, Ex. A] (the "Plan") governing the treatment and satisfaction of Class 1 claims (applicable to Note Holder Claims) and Class 7 claims (applicable to Club Member Claims).
3. 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:**

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