

**Other:**[3:21-bk-00956-EPB CONTINENTAL COUNTRY CLUB, INC.](#)

Type: bk Chapter: 11 v Office: 3 (Prescott)  
Assets: y Judge: EPB Case Flag: Appeal

**U.S. Bankruptcy Court****District of Arizona**

## Notice of Electronic Filing

The following transaction was received from PATRICK A. CLISHAM entered on 3/21/2022 at 11:13 AM AZ and filed on 3/21/2022

**Case Name:** CONTINENTAL COUNTRY CLUB, INC.

**Case Number:** [3:21-bk-00956-EPB](#)

**Document Number:** [301](#)

**Docket Text:**

Second Periodic Report Regarding Value, Operations and Profitability of Entities in Which the Debtor's Estate Holds a Substantial or Controlling Interest filed by PATRICK A. CLISHAM of ENGELMAN BERGER PC on behalf of CONTINENTAL COUNTRY CLUB, INC.. (CLISHAM, PATRICK)

The following document(s) are associated with this transaction:

**Document description:**Main Document

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] [72a1662af19e76371d6191e97f1b83ef5c8b19ea1492e77c420b335b7f340075b17  
ab1c393f2b74e255e52ddad4e6d024ddde13bbf4bf871348be184cea7d5ec]

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**3:21-bk-00956-EPB Notice will not be electronically mailed to:**

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**Fill in this information to identify the case:**

Debtor Name CONTINENTAL COUNTRY CLUB, INC.  
United States Bankruptcy Court for the: DISTRICT OF ARIZONA (State)  
Case number: 3:21-bk-00956-EPB

Official Form 426

**Periodic Report Regarding Value, Operations, and Profitability of Entities in Which the Debtor's Estate Holds a Substantial or Controlling Interest**

12/17

2/28/22

This is the *Periodic Report* as of 2/28/22 on the value, operations, and profitability of those entities in which a Debtor holds, or two or more Debtors collectively hold, a substantial or controlling interest (a "Controlled Non-Debtor Entity"), as required by Bankruptcy Rule 2015.3. For purposes of this form, "Debtor" shall include the estate of such Debtor.

[Name of Debtor] holds a substantial or controlling interest in the following entities:

Name of Controlled Non-Debtor Entity	Interest of the Debtor	Tab #
FLAGSTAFF GOLF MAINTENANCE COMPANY II L.L.C.	50%	N/A

This *Periodic Report* contains separate reports (*Entity Reports*) on the value, operations, and profitability of each Controlled Non-Debtor Entity.

Each *Entity Report* consists of five exhibits.

*Exhibit A* contains the most recently available: balance sheet, statement of income (*loss*), statement of cash flows, and a statement of changes in shareholders' or partners' equity (*deficit*) for the period covered by the *Entity Report*, along with summarized footnotes.

*Exhibit B* describes the Controlled Non-Debtor Entity's business operations.

*Exhibit C* describes claims between the Controlled Non-Debtor Entity and any other Controlled Non-Debtor Entity.

*Exhibit D* describes how federal, state or local taxes, and any tax attributes, refunds, or other benefits, have been allocated between or among the Controlled Non-Debtor Entity and any Debtor or any other Controlled Non-Debtor Entity and includes a copy of each tax sharing or tax allocation agreement to which the Controlled Non-Debtor Entity is a party with any other Controlled Non-Debtor Entity.

*Exhibit E* describes any payment, by the Controlled Non-Debtor Entity, of any claims, administrative expenses or professional fees that have been or could be asserted against any Debtor, or the incurrence of any obligation to make such payments, together with the reason for the entity's payment thereof or incurrence of any obligation with respect thereto.

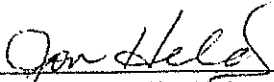
**This *Periodic Report* must be signed by a representative of the trustee or debtor in possession.**

Debtor Name CONTINENTAL COUNTRY CLUB, INC.

Case number 3:21-bk-00956-EPB

The undersigned, having reviewed the *Entity Reports* for each Controlled Non-Debtor Entity, and being familiar with the Debtor's financial affairs, verifies under the penalty of perjury that to the best of his or her knowledge, (i) this *Periodic Report* and the attached *Entity Reports* are complete, accurate, and truthful to the best of his or her knowledge, and (ii) the Debtor did not cause the creation of any entity with actual deliberate intent to evade the requirements of Bankruptcy Rule 2015.3

For non-Individual Debtors:

  
Signature of Authorized Individual  
Jen Held  
Printed name of Authorized Individual  
Date 03/18/2022  
MM / DD / YYYY

For Individual Debtors:

\_\_\_\_\_  
Signature of Debtor 1  
\_\_\_\_\_  
Printed name of Debtor 1  
Date \_\_\_\_\_  
MM / DD / YYYY

\_\_\_\_\_  
Signature of Debtor 2  
\_\_\_\_\_  
Printed name of Debtor 2  
Date \_\_\_\_\_  
MM / DD / YYYY

Debtor Name CONTINENTAL COUNTRY CLUB, INC.

Case number 3:21-bk-00956-EPB

**Exhibit A: Financial Statements for [Name of Controlled Non-Debtor Entity] Flagstaff Golf Maintenance Company LLC**

Debtor Name CONTINENTAL COUNTRY CLUB, INC.

Case number 3:21-bk-00956-EPB

**Exhibit A-1: Balance Sheet for [Name of Controlled Non-Debtor Entity] as of [date] 02/28/22**

Flagstaff Golf Maintenance Company LLC

[Provide a balance sheet dated as of the end of the most recent 3-month period of the current fiscal year and as of the end of the preceding fiscal year.

Describe the source of this information.]

## Flagstaff Golf Maintenance Company

## Balance Sheet

As of February 28, 2022

03/04/22

Accrual Basis

	<u>Feb 28, 22</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
1001 · Petty Cash Fund	250.00
1010 · Cash- Chase Operating Account	27,977.28
1015 · Cash- Chase Payroll Account	20,444.11
	<hr/>
Total Checking/Savings	48,671.39
Accounts Receivable	
1100 · A/R - Aspen Valley Golf Club	34,473.56
1140 · A/R - Continental Country Club	29,964.65
	<hr/>
Total Accounts Receivable	64,438.21
Other Current Assets	
1200 · Inventory - Diesel	2,018.77
1210 · Inventory - Unleaded Gasoline	647.02
1220 · Inventory - Seed	1,278.71
1230 · Inventory - Fertilizer	4,910.99
1250 · Inventory - Tee to Greens	9,400.00
1270 · Inventory - Herbicide	4,473.97
1275 · Inventory - Fungicide	991.37
1280 · Inventory - Insecticide	1,014.32
	<hr/>
Total Other Current Assets	24,735.15
Total Current Assets	<hr/> 137,844.75
<b>Fixed Assets</b>	
1500 · Land	110,903.00
1510 · F/A - Equipment	1,372,287.18
1530 · F/A - Vehicles	15,000.00
1560 · F/A - UST	44,000.00
1570 · F/A - Improvements	149,867.21
1580 · F/A - Small Tools	10,200.00
1590 · F/A - Building	122,641.00
1610 · A/D Equipment	-1,011,780.85
1630 · A/D - Vehicles	-15,000.00
1660 · A/D - UST	-44,000.00
1670 · A/D - Improvements	-116,239.48
1680 · A/D - Small Tools	-10,200.00
1690 · A/D - Building	-86,096.08
	<hr/>
Total Fixed Assets	541,581.98
<b>Other Assets</b>	
1300 · Prepaid Insurance - Bldg/Liab.	2,985.80
1330 · Prepaid Insurance - UST	1,162.23
1340 · Prepaid Insurance - Officers	4,932.00
1370 · Prepaid Expenses - Other	-4,796.22
	<hr/>
Total Other Assets	4,283.81
<b>TOTAL ASSETS</b>	<hr/> <b>683,710.54</b> <hr/>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
2000 · A/P - Trade	4,639.50
	<hr/>
Total Accounts Payable	4,639.50
Credit Cards	
2010 · Chase Business Freedom CC	7,327.22
	<hr/>
Total Credit Cards	7,327.22

8:54 AM

Flagstaff Golf Maintenance Company

Balance Sheet

As of February 28, 2022

03/04/22

Accrual Basis

	<u>Feb 28, 22</u>
<b>Other Current Liabilities</b>	
2300 · Accrued Exp. - Property Taxes	-7,746.05
2320 · Accrued Exp. - Audit Fees	2,326.00
2350 · Accrued Salaries & Wages	32,478.34
2400 · Federal Payroll Tax W/H	-1,593.00
2410 · SS Tax (Employer)	-1,168.53
2420 · SS Tax (Employee)	-1,168.53
2430 · Medicare (Employer)	-273.29
2440 · Medicare (Employee)	-273.29
2450 · AZ Payroll W/H	-491.43
2460 · FUTA Payable	357.53
2470 · SUTA Payable	460.41
2480 · AZ State Compensation Payable	-720.67
2500 · Health Insurance	237.66
2510 · Dental/Life Ins. W/Holding	61.48
2520 · Health Insurance Credit	4,337.61
	<hr/>
<b>Total Other Current Liabilities</b>	26,824.24
	<hr/>
<b>Total Current Liabilities</b>	38,790.96
	<hr/>
<b>Long Term Liabilities</b>	
2600 · Capital Lease Payable	200,349.93
	<hr/>
<b>Total Long Term Liabilities</b>	200,349.93
	<hr/>
<b>Total Liabilities</b>	239,140.89
	<hr/>
<b>Equity</b>	
3100 · Contributed Capital - Aspen	620,486.87
3200 · Contributed Capital - CCC	620,486.86
3600 · Retained Earnings	-778,021.56
Net Income	-18,382.52
	<hr/>
<b>Total Equity</b>	444,569.65
	<hr/>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u>683,710.54</u>



Debtor Name CONTINENTAL COUNTRY CLUB, INC.

Case number 3:21-bk-00956-EPB

**Exhibit A-2: Statement of Income (Loss) for [Name of Controlled Non-Debtor Entity] for period ending [date] 02/28/22**  
**Flagstaff Golf Maintenance Company LLC**

[Provide a statement of income (loss) for the following periods:

(i) For the initial report:

- a. the period between the end of the preceding fiscal year and the end of the most recent 3-month period of the current fiscal year; and
- b. the prior fiscal year.

(ii) For subsequent reports, since the closing date of the last report.

Describe the source of this information.]

**Flagstaff Golf Maintenance Company  
Profit & Loss by Class**

03/04/22

February 2022

Accrual Basis

	Aspen Valley Golf Club	Continental Country Club	TOTAL
<b>Ordinary Income/Expense</b>			
Income			
4100 - Income - Aspen Valley	35,209.92	0.00	35,209.92
4200 - Income - CCC	0.00	30,317.90	30,317.90
<b>Total Income</b>	<b>35,209.92</b>	<b>30,317.90</b>	<b>65,527.82</b>
<b>Gross Profit</b>	<b>35,209.92</b>	<b>30,317.90</b>	<b>65,527.82</b>
<b>Expense</b>			
6000 - Payroll Expenses (Direct Dep.)	77.64	77.63	155.27
6010 - Payroll Expense - Supervisors	8,506.54	6,861.92	15,368.46
6020 - Payroll Expense - Controller	2,343.08	2,343.08	4,686.16
6030 - Payroll Expense - Equip. Tech.	4,050.62	4,059.62	8,110.24
6040 - Payroll Expense - Groundskeeper	2,800.00	660.00	3,460.00
6050 - Payroll Expense - Irrigation	3,360.00	2,960.00	6,320.00
6090 - Employee Expense	218.34	218.35	436.69
6100 - Payroll Taxes	1,588.05	1,286.48	2,884.53
6110 - Workman's Compensation	240.00	160.00	400.00
6120 - Unemployment Insurance	72.72	62.60	135.32
6140 - Employee Medical Insurance	1,361.61	1,364.00	2,725.61
6160 - Dental/Life Insurance Expense	165.16	165.16	330.32
6160 - Employee Simple IRA	170.42	268.94	439.36
6200 - Accounting & Auditing Fees	290.00	290.00	580.00
6220 - Management Committee Expense	12.31	12.31	24.62
6230 - Dues & Membership Fees	7.50	7.49	14.99
6260 - Property Taxes	390.94	390.94	781.88
6260 - License/Inspections/Other Fees	50.04	50.05	100.09
6280 - Advertising	374.95	299.96	674.91
6290 - Bank Charges	1.40	1.40	2.80
6300 - Insurance Exp. - Bldg/Liab.	811.60	811.60	1,623.20
6330 - Insurance Exp. - UST	58.00	58.00	116.00
6340 - Insurance Exp. - Officers	246.50	246.50	493.00
6400 - Office Supplies	86.28	56.29	142.57
6410 - Copier Expense	107.25	107.25	214.50
6430 - Postage	33.00	33.00	66.00
6440 - Security	12.49	12.50	24.99
6460 - Telephone - Local	113.74	113.74	227.48
6460 - Telephone - Long Distance	28.31	28.31	56.62
6470 - Telephone - Cellular	70.00	70.00	140.00
6600 - Fertilizer	0.00	0.00	0.00
6630 - Herbicides	0.00	0.00	0.00
6640 - Insecticides	0.00	0.00	0.00
6660 - Fungicides	0.00	0.00	0.00
6680 - Seed & Sod	0.00	0.00	0.00
6690 - Cleaning Supplies/Service	200.00	200.00	400.00
6800 - Tee - Green	1,084.45	621.64	1,686.09
6830 - Garbage/Landfill Charges	108.40	106.39	214.79
6660 - Equipment	209.04	165.60	364.64
6870 - Tools	11.47	11.47	22.94
6880 - Gas & Oil	155.94	172.19	328.13
6700 - R&M - Grounds	447.16	1,365.78	1,802.94
6720 - R&M - Equipment	2,589.48	2,589.48	5,178.96
6730 - R&M - Irrigation	90.60	0.00	90.60
6760 - Contract Services	1,000.00	0.00	1,000.00
6770 - RainBird GSP	0.00	294.00	294.00
6780 - Land Lease	10.20	10.20	20.40
6800 - R&M - Building	285.59	285.59	571.18
6830 - Utilities - Gas	206.39	206.40	412.79
6840 - Utilities - Electric	233.20	233.20	466.40
6850 - Utilities - Water	82.34	118.68	201.02
6860 - Interest Expense	407.84	407.83	815.67
6810 - Sales Tax Expense	472.33	472.33	944.66
<b>Total Expense</b>	<b>35,209.92</b>	<b>30,317.90</b>	<b>65,527.82</b>
<b>Net Ordinary Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other Income/Expense</b>			
Other Expense			
7510 - Depreciation Exp. - Equipment	4,188.35	4,188.35	8,376.70
7570 - Depreciation Exp. - Improvements	252.43	252.43	504.86
7580 - Depreciation Exp. - Building	154.85	154.85	309.70
<b>Total Other Expense</b>	<b>4,595.63</b>	<b>4,595.63</b>	<b>9,191.26</b>
<b>Net Other Income</b>	<b>-4,595.63</b>	<b>-4,595.63</b>	<b>-9,191.26</b>
<b>Net Income</b>	<b>-4,595.63</b>	<b>-4,595.63</b>	<b>-9,191.26</b>

**Flagstaff Golf Maintenance Company  
Profit & Loss by Class**

03/04/22

January through February 2022

Accrual Basis

	Aspen Valley Golf Club	Continental Country Club	TOTAL
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
4100 - Income - Aspen Valley	75,142.18	0.00	75,142.18
4200 - Income - CCC	0.00	62,990.02	62,990.02
<b>Total Income</b>	<b>75,142.16</b>	<b>62,990.02</b>	<b>138,132.18</b>
<b>Gross Profit</b>	<b>75,142.16</b>	<b>62,990.02</b>	<b>138,132.18</b>
<b>Expense</b>			
6000 - Payroll Expenses (Direct Dep.)	155.27	155.27	310.54
6010 - Payroll Expense - Supervisors	17,437.89	14,066.32	31,504.21
6020 - Payroll Expense - Controller	4,802.94	4,802.94	9,605.88
6030 - Payroll Expense - Equip. Tech.	8,321.99	8,321.99	16,643.98
6040 - Payroll Expense - Groundskeeper	5,740.00	660.00	6,400.00
6050 - Payroll Expense - Irrigation	6,888.00	6,068.00	12,956.00
6090 - Employee Expense	443.43	443.43	886.86
6100 - Payroll Taxes	3,260.29	2,564.91	5,825.20
6110 - Workman's Compensation	460.00	320.00	800.00
6120 - Unemployment Insurance	458.61	359.39	818.00
6140 - Employee Medical Insurance	3,167.94	3,172.72	6,340.66
6150 - Dental/Life Insurance Expense	403.44	403.44	806.88
6160 - Employee Simple IRA	340.84	537.88	878.72
6200 - Accounting & Auditing Fees	580.00	580.00	1,160.00
6220 - Management Committee Expense	12.31	12.31	24.62
6230 - Dues & Membership Fees	95.91	95.91	191.82
6250 - Property Taxes	781.88	781.88	1,563.76
6260 - License/Inspections/Other Fees	121.00	121.01	242.01
6270 - Travel/Lodging/Meals	20.42	20.43	40.85
6280 - Advertising	374.95	299.96	674.91
6290 - Bank Charges	1.40	1.40	2.80
6300 - Insurance Exp. - Bldg/Lab.	1,623.20	1,623.20	3,246.40
6330 - Insurance Exp. - UST	116.00	116.00	232.00
6340 - Insurance Exp. - Officers	493.00	493.00	986.00
6400 - Office Supplies	106.28	106.29	212.57
6410 - Copier Expense	214.91	214.92	429.83
6430 - Postage	63.40	63.40	126.80
6440 - Security	24.99	24.99	49.98
6450 - Telephone - Local	227.47	227.46	454.93
6460 - Telephone - Long Distance	56.62	56.62	113.24
6470 - Telephone - Cellular	140.00	140.00	280.00
6500 - Fertilizer	0.00	0.00	0.00
6530 - Herbicides	0.00	0.00	0.00
6540 - Insecticides	0.00	0.00	0.00
6550 - Fungicides	0.00	0.00	0.00
6560 - Seed & Sod	0.00	0.00	0.00
6590 - Cleaning Supplies/Service	400.00	400.00	800.00
6600 - Tee - Green	2,347.03	1,816.25	4,163.28
6630 - Garbage/Landfill Charges	1,210.59	1,210.58	2,421.17
6660 - Equipment	609.04	555.60	1,164.64
6670 - Tools	173.28	173.28	346.56
6680 - Gas & Oil	552.51	384.56	937.07
6700 - R&M - Grounds	1,470.80	1,916.40	3,387.20
6720 - R&M - Equipment	5,848.84	5,648.63	11,497.47
6730 - R&M - Irrigation	310.72	3.81	314.53
6750 - Contract Services	2,100.00	0.00	2,100.00
6770 - RainBird GSP	0.00	588.00	588.00
6780 - Land Lease	20.40	20.40	40.80
6800 - R&M - Building	585.24	585.25	1,170.49
6830 - Utilities - Gas	393.01	393.02	786.03
6840 - Utilities - Electric	448.56	448.55	897.11
6860 - Utilities - Water	136.68	211.35	350.03
6800 - Interest Expense	834.62	834.61	1,669.23
6610 - Sales Tax Expense	944.66	944.66	1,889.32
<b>Total Expense</b>	<b>75,142.16</b>	<b>62,990.02</b>	<b>138,132.18</b>
<b>Net Ordinary Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other Income/Expense</b>			
<b>Other Expense</b>			
7510 - Depreciation Exp. - Equipment	8,376.70	8,376.70	16,753.40
7570 - Depreciation Exp - Improvements	504.86	504.86	1,009.72
7690 - Depreciation Exp. - Building	309.70	309.70	619.40
<b>Total Other Expense</b>	<b>9,191.26</b>	<b>9,191.26</b>	<b>18,382.52</b>
<b>Net Other Income</b>	<b>-9,191.26</b>	<b>-9,191.26</b>	<b>-18,382.52</b>
<b>Net Income</b>	<b>-9,191.26</b>	<b>-9,191.26</b>	<b>-18,382.52</b>

Debtor Name CONTINENTAL COUNTRY CLUB, INC.

Case number 3:21-bk-00956-EPB

**Exhibit A-3: Statement of Cash Flows for [Name of Controlled Non-Debtor Entity] for period ending [date] 02/28/22**

**Flagstaff Golf Maintenance Company LLC**

[Provide a statement of changes in cash position for the following periods:

(i) For the initial report:

- a. the period between the end of the preceding fiscal year and the end of the most recent 3-month period of the current fiscal year; and
- b. the prior fiscal year.

(ii) For subsequent reports, since the closing date of the last report.

Describe the source of this information.]

**Flagstaff Golf Maintenance Company**  
**Statement of Cash Flows**  
 January through February 2022

	Jan - Feb 22
<b>OPERATING ACTIVITIES</b>	
Net Income	-18,382.52
Adjustments to reconcile Net Income to net cash provided by operations:	
1100 · A/R - Aspen Valley Golf Club	-142.16
1140 · A/R - Continental Country Club	-7,990.02
1200 · Inventory - Diesel	160.42
1210 · Inventory - Unleaded Gasoline	1,542.15
1275 · Inventory - Fungicide	-446.46
2000 · A/P - Trade	-2,104.85
2010 · Chase Business Freedom CC	6,691.14
2300 · Accrued Exp. - Property Taxes	1,563.76
2320 · Accrued Exp. - Audit Fees	-4,490.00
2350 · Accrued Salaries & Wages	2,688.88
2400 · Federal Payroll Tax W/H	-1,593.00
2410 · SS Tax (Employer)	-1,168.53
2420 · SS Tax (Employee)	-1,168.53
2430 · Medicare (Employer)	-273.29
2440 · Medicare (Employee)	-273.29
2450 · AZ Payroll W/H	-491.43
2460 · FUTA Payable	331.41
2470 · SUTA Payable	352.55
2480 · AZ State Compensation Payable	24.26
2520 · Health Insurance Credit	-1,084.40
<b>Net cash provided by Operating Activities</b>	<b>-26,253.91</b>
<b>INVESTING ACTIVITIES</b>	
1610 · A/D Equipment	16,753.40
1670 · A/D - Improvements	1,009.72
1690 · A/D - Building	619.40
1300 · Prepaid Insurance - Bldg/Liab.	-67.30
1330 · Prepaid Insurance - UST	232.00
1340 · Prepaid Insurance - Officers	986.00
1370 · Prepaid Expenses - Other	5,040.80
<b>Net cash provided by Investing Activities</b>	<b>24,574.02</b>
<b>FINANCING ACTIVITIES</b>	
2600 · Capital Lease Payable	-18,909.63
3100 · Contributed Capital - Aspen	9,454.81
3200 · Contributed Capital - CCC	9,454.82
<b>Net cash provided by Financing Activities</b>	<b>0.00</b>
<b>Net cash increase for period</b>	<b>-1,679.89</b>
<b>Cash at beginning of period</b>	<b>50,351.28</b>
<b>Cash at end of period</b>	<b>48,671.39</b>

**Exhibit A-4: Statement of Changes in Shareholders'/Partners' Equity (*Deficit*) for [Name of Controlled Non-Debtor Entity]  
for period ending [date] 02/28/22 Flagstaff Golf Maintenance Company LLC**

[Provide a statement of changes in shareholders'/partners equity (*deficit*) for the following periods:

(i) For the initial report:

- a. the period between the end of the preceding fiscal year and the end of the most recent 3-month period of the current fiscal year; and
- b. the prior fiscal year.

(ii) For subsequent reports, since the closing date of the last report.

Describe the source of this information.]

See Balance Sheet at Exhibit A-1.

**Exhibit B: Description of Operations for [Name of Controlled Non-Debtor Entity] Flagstaff Golf Maintenance Company L**

[Describe the nature and extent of the Debtor's interest in the Controlled Non-Debtor Entity.

Describe the business conducted and intended to be conducted by the Controlled Non-Debtor Entity, focusing on the entity's dominant business segments.

Describe the source of this information.]

FGMC provides golf course maintenance to the two golf courses located within the Continental Country Club area, Aspen Valley and Continental. The Continental Golf Club is owned and operated by the Continental Country Club Association. Aspen Valley is a privately owned golf course.

**Exhibit C: Description of Intercompany Claims**

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[List and describe the Controlled Non-Debtor Entity's claims against any other Controlled Non-Debtor Entity, together with the basis for such claims and whether each claim is contingent, unliquidated or disputed.

Describe the source of this information.]

Not applicable.



**Exhibit D: Allocation of Tax Liabilities and Assets**

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[Describe how income, losses, tax payments, tax refunds, or other tax attributes relating to federal, state, or local taxes have been allocated between or among the Controlled Non-Debtor Entity and one or more other Controlled Non-Debtor Entities.

Include a copy of each tax sharing or tax allocation agreement to which the entity is a party with any other Controlled Non-Debtor Entity.

Describe the source of this information.]

See excerpts from limited liability company operating agreement attached hereto.

(b) The defaulting Member shall lose its voting and approval rights under the Act, the Articles and this Agreement until such time as the defaulting Member cures the default.

Each Member acknowledges and agrees that (i) a default by any Member in making a required capital contribution will result in the Company and the non-defaulting Member incurring certain costs and other damages in an amount that would be extremely difficult or impractical to ascertain and (ii) the remedies described in this Section 3.3 bear a reasonable relationship to the damages which the Members estimate may be suffered by the Company and the non-defaulting Member by reason of the failure of a defaulting Member to make any required Capital Contribution and the election of any or all of the above described remedies is not unreasonable under the circumstances existing as of the date thereof.

The election of the non-defaulting Member to pursue any remedy provided in this Section 3.3 shall not be a waiver or limitation of the right to pursue an additional or different remedy available hereunder or of law or equity with respect to any subsequent default.

3.4 Loans by the Members to the Company. Any Member may, with the approval of the Management Committee, advance monies to the Company for use in the Company's operations. The aggregate amount of such advances shall be an obligation of the Company to the Member and shall bear interest at the Prime Rate plus two percent (2%) per annum. Such advances shall be deemed a loan by the Member to the Company and shall not be deemed a Capital Contribution. Any unpaid advances, together with accrued and unpaid interest, shall be payable solely out of the first Cash Available for Distribution.

3.5 No Withdrawal of Capital Contributions. Except upon dissolution and liquidation of the Company, no Member shall have the right to withdraw its Capital Contribution, except as agreed by the other Member.

3.6 No Interest on Capital Contributions. No Member shall be entitled to interest of any kind on account of a Capital Contribution.

3.7 No Priority. Except as expressly set forth in Section 4.1, no Member shall have priority over any other Member as to the return or its Capital Contributions, allocations of income, gain, losses, credits, deductions, or as to deductions.

#### ARTICLE IV

##### ALLOCATION OF DISTRIBUTIONS, INCOME, LOSSES AND OTHER ITEMS AMONG THE MEMBERS

4.1 Distribution of Cash. The Management Committee shall determine the Cash Available for Distribution from time to time but not less often than annually and in accordance with Section 1.7 hereof. Except for distributions upon dissolution of the Company as provided in Article IX, the Cash Available for Distribution shall be distributed to the Members in the following order:

(a) First, repayment of loans pursuant to Section 3.4.

(b) Second, distributions shall be made to each Member, pro-rata based on the Additional Capital Contributions made by each Member, until each Member has received distributions pursuant to this Section 4.1(b) equal to its Additional Capital Contributions.

(c) Third, distributions shall be made to the Members, pro rata based on their Capital Account.

4.2 Withholding. The Company shall withhold all such amounts as may be required by applicable tax law and any amounts so withheld shall be deemed to have been distributed under Section 4.1 to the Member with respect to whom such withholding obligation arose and, to the extent such amounts exceed the amount such Member would have otherwise received shall be counted towards future distributions to such Member. If any sums are withheld with respect to a Member, the Company shall remit the sums so withheld to and file the required forms with the Internal Revenue Service or other applicable government agency, and in the event of any claimed over-withholding, the Member shall be limited to an action against the Internal Revenue Service or other applicable government agency for refund and hereby waives any claim or right of action against the Company on account of such withholding.

4.3 Allocation of Net Income. After giving effect to the special allocations set forth in Sections 4.5, 4.6 and 4.9, Net Income for any fiscal year shall be allocated to the Members pro rata in accordance with their respective Capital Accounts at the end of the year before giving effect to the current year's net income and net loss allocations.

4.4 Allocation of Net Losses. After giving effect to the special allocations set forth in Section 4.5, 4.6 and 4.9, Net Losses for any fiscal year shall be allocated to the Members pro rata in accordance with their respective Capital Accounts at the end of the year before giving effect to the current year's net income and net loss allocations.

4.5 Special Allocations. The following special allocations shall be made in the following order:

(a) Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.704-2(f), notwithstanding any other provisions of this Article IV, if there is a net decrease in Company Minimum Gain during any Company fiscal year, each Member who would otherwise have an Adjusted Capital Account Deficit at the end of such year shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Member's share of the net- decrease in Company Minimum Gain, determined in accordance with Regulations Section 1.704-2(g). The items to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 4.5(a) is intended to comply with the minimum gain chargeback requirement in Regulation Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) **Qualified Income Offset.** In the event any Member unexpectedly received any adjustments, allocations, or distributions, described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(92)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6), items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, provided that an allocation pursuant to this Section 4.5(b) shall be made if and only to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article IV have been tentatively made as if this Section 4.5(b) were not in this Agreement.

(c) **Gross Income Allocation.** In the event any Member has a deficit Capital Account at the end of any Company fiscal year that is in excess of the sum of (i) the amount such Member is obligated to restore, pursuant to any provision of this Agreement, and (ii) the amount such Member is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(2), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 4.5(c) shall be made if and only to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article IV have been tentatively made as if Section 4.5(b) and this Section 4.5(c) were not in this Agreement.

(d) **Nonrecourse Deductions.** Nonrecourse Deductions for any fiscal year or other period shall be allocated to the Members in accordance with their respective Ownership Interests.

(e) **Member Loan Nonrecourse Deductions.** Any Member Loan Nonrecourse Deductions for any fiscal year or other period shall be allocated to the Member who bears the risk of loss with respect to the loan to which such Member Loan Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).

(f) **Section 754 Adjustment.** To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Regulations Section 1.704-1(b)(92)(iv)(m) to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

**4.6 Curative Allocations.** The allocations set forth in Section 4.5 (the "Regulatory Allocations") are intended to comply with certain requirements of the Regulations. Notwithstanding any other provisions of this Article IV (other than the Regulatory Allocations), the Regulatory Allocations shall be taken into account in allocating other items of income, gain, loss and deduction among the Members so that, to the extent possible, the net amount of such allocations shall be equal to the net amount that would have been allocated to each Member if the Regulatory Allocations had not occurred. Notwithstanding the preceding sentence, Regulatory

Allocations relating to (a) Nonrecourse Deductions shall not be taken into account except to the extent that there has been a reduction in Company Minimum Gain, and (b) Member Loan Nonrecourse Deductions shall not be taken into account except to the extent that there would have been a reduction in Company Minimum Gain if the loan to which such deductions are attributable were not made or guaranteed by a Member within the meaning of Regulations Section 1.704-1(b)(4)(iv)(g) (or, if Regulations Section 1.704-1(b)(4)(iv)(h) becomes applicable to the Company, a Person related to a Member with the meaning of such section of the Regulations).

#### 4.7 Other Allocation Rules.

(a) For purposes of determining the Net Income, Net Losses or any other items allocable to any period, Net Income, Net Losses and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Management Committee using any permissible method under Code Section 706 and the Regulations thereunder.

(b) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction and any other allocations not otherwise provided for shall be divided among the Members in the same proportions as they share Net Income or net Losses, as the case may be, for the year.

(c) The Members are aware of the income tax consequences of the allocations made by this Article IV and hereby agree to be bound by the provisions of this Article IV in the Management Committee reporting their shares of the Company income and loss for income tax purposes.

4.8 Tax Allocations: Code Section 704(c). In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value (computed in accordance with Section 1.16(A)).

In the event the Gross Asset Value of any Company asset is adjusted pursuant to Section 1.16(b); subsequent allocations of income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by a vote of both Members of the Company in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 4.8 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing any Member's Capital Account or share of Net Income, Net Losses or other items or distributions pursuant to any provision of this Agreement.

4.9 Special Allocation in the Event of Additional Capital Contribution. In the event that additional Capital Contributions are made which give rise to one Member's Capital Account being

greater than the other Members' Capital Accounts as a consequence of the additional Capital Contribution, then Net Income and Net Loss shall be allocated among the Members in such a ratio as to cause the Capital Accounts of the Members to be restored to the Initial Capital Account ratio of 50% for each Member. The extent to which Capital Account disparities are corrected in a single year shall be determined by the Management Committee, subject to the requirement that any such Capital Account disparity is eliminated, and each Member's Capital Account is equal in no less than ten (10) years after the additional Capital Contribution has been made.

## ARTICLE V

### MANAGEMENT OF THE COMPANY

5.1 Management Powers of the Management Committee. The Company shall be managed by a Management Committee comprised of six (6) Persons, three (3) of whom shall be appointed by the FGA and three (3) of whom shall be appointed by CCC. The Persons shall serve a term of three years and shall be elected at the annual meeting of the Company by ratification of each Member's current appointment. In the event either CCC or FGA sells their golf course facilities, the seller's three Persons shall be appointed by the purchaser. If CCC is the seller, the Management Committee shall be expanded to seven (7) persons, with the seventh member being appointed by CCC as an ex-officio representative with a voice but no vote.

The Company's General Manager, CCC's General Manager and FGA's General Manager shall be ex-officio representatives on the Management Committee, with a voice but no vote.

The Management Committee shall have the full, exclusive and absolute right, power and authority to manage and control the Company and the property, assets and business thereof. The Management Committee shall have all of the rights, powers and authority conferred upon it by law or under other provisions of this Agreement. Subject to written approval of the Boards of Directors of both Members and the restrictions specifically contained in this Agreement, the powers of the Management Committee shall include, but shall not be limited to, the following acts on the terms and conditions determined by the Management Committee in its sole discretion:

(a) Receive and hold in the form received, or invest and reinvest in, short-term obligations, such as money market instruments, certificates of deposit or treasury bills (or securities of investment companies which invest principally in such short-term obligations), or apply to the expenses of the Company, or distribute to the Members, all cash received by the Company.

(b) Subject to the applicable provisions of Section 5.2, obtain replacement of any promissory note, mortgage, deed of trust or security agreement, and prepay in whole or in part, refinance, recast, modify, consolidate or extend any promissory note, mortgage, deed of trust or security agreement.

(c) Pay all expenses, fees and commissions incurred in connection with the Company, including those specifically set forth in this Agreement.

Debtor Name CONTINENTAL COUNTRY CLUB, INC.

Case number 3:21-bk-00956-EPB

**Exhibit E: Description of Controlled Non-Debtor Entity's payments of Administrative Expenses, or Professional Fees otherwise payable by a Debtor**

[Describe any payment made, or obligations incurred (or claims purchased), by the Controlled Non-Debtor Entity in connection with any claims, administrative expenses, or professional fees that have been or could be asserted against any Debtor.

Describe the source of this information.]

None.