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SC Court of Appeals

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM GREENVILLE COUNTY
Court of Common Pleas

Charles B. Simmons, Master in Equity
and Special Circuit Court Judge

Appellate Case No. 2025-001522

Synovus Bank, Respondent,

v.

Jeffrey L. Clemens, Appellant.

RECORD ON APPEAL

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STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF GREENVILLE

FOR THE THIRTEENTH JUDICIAL CIRCUIT

Synovus Bank,

C/A NO: 2019-CP-23-00367

Plaintiff,

vs.

ORDER

Jeffrey L. Clemens,

Defendant.

This matter comes before me in Supplemental Proceedings commenced by Synovus Bank to collect a judgment entered in favor of Synovus Bank against Defendant Jeffrey L. Clemens (“Clemens”) on June 6, 2019, in the amount of \$395,998.18 (the “Judgment”). A hearing was held before me on November 16, 2021. Mary M. Caskey, Esq. appeared for Synovus Bank. James G. Carpenter appeared for Clemens.

Synovus Bank conducted discovery prior to the hearing, and so the testimony of Clemens was limited to the availability of certain assets to satisfy the Judgment. Clemens testified that he is a shareholder of the Clemens Family Corporation, and receives annual distributions in varying amounts from that Corporation. Clemens also testified that he has an interest in and receives distributions in varying amounts from ITSPE, LLC, the entity responsible for administering claims related to the Cliffs Banks, all through Wells Fargo as trustee. Further, Clemens testified that he also has an interest in ABCD Treats of Greenville, LP, and received a distribution from that entity in 2020. The Court finds Clemens distributional interest in each of the above-mentioned entities is subject to attachment, and Synovus Bank is entitled to a charging lien over any distributions or dividends Clemens receives from those entities.

Further, Clemens testified that he is a member of Clemens Realty Group, LLC and Snap Dragon Way, LLC, but that he has not received any distributions from either of those LLCs in recent years. Nevertheless, the Court finds that it has the authority to attach the Judgment to any distributional interest of Clemens in the LLCs, regardless of whether the LLCs have made recent distributions. *See, e.g., Kriti Ripley, LLC v. Emerald Investments, LLC*, 404 S.C. 367, 383, 746 S.E.2d 26, 34 (2013) (allowing foreclosure of a charging lien even though in the 2 years prior to the motion to foreclose, no distributions had been made); *see also* S.C. Code Ann. § 33-44-504 (allowing a creditor of an LLC member to charge the distribution interest without reference to whether distributions are currently being made). If the ability of a creditor to obtain a charging lien was limited to distribution interests where the debtor had historically received distributions, then a debtor could circumvent the attachment of a judgment by withholding distributions until supplemental proceedings were closed or not active.

Based on the foregoing, it is ORDERED that the Judgment shall attach to Clemens' interest in any dividends, distribution, profits, or other amounts payable from the Clemens Family Corporation, ITSPE, LLC (either directly or through Wells Fargo, as trustee), ABCD Treats of Greenville, LP, Clemens Realty Group, LLC and Snap Dragon Way, LLC. Synovus Bank shall serve this Order on all other members of any LLC whose distributions are impacted by this Order, to the extent such other members are known, and on the registered agent for each entity if it is someone other than Clemens. The Clemens Family Corporation, ITSPE, LLC (either directly or through Wells Fargo, as trustee), ABCD Treats of Greenville, LP, Clemens Realty Group, LLC and Snap Dragon Way, LLC are instructed that all dividends, distribution, profits, or other amounts payable to Clemens during the pendency of this Order shall be made payable to "Synovus Bank" and remitted to Synovus Bank, c/o Mary M. Caskey, 1201 Main Street, Suite 2200, Columbia, SC 29201.

Should any of the entities subject to this Order pay any distributions or dividends or other payments directly to Clemens while this Order is in effect, Clemens shall remit any distributions from any of these entities to Synovus Bank, through its counsel, Mary M. Caskey, within five (5) days of receipt of any such distribution. Further, Clemens shall cooperate with Synovus Bank to endorse or deposit the funds distributed by any entity subject to this Order.

The attachments referred to herein and charging lien shall be in effect as to these entities for a period of twenty-four (24) months, with leave of either party to revisit or make motions to amend the charging lien any time after twelve (12) months of the date of this Order.

[JUDGE'S ELECTRONIC SIGNATURE PAGE TO FOLLOW]



Greenville Common Pleas

Case Caption: Synovus Bank vs. Jeffrey L Clemens

Case Number: 2019CP2300367

Type: Order/Other

And It Is So Ordered!

s/ Judge Charles B. Simmons, Jr. (3023)

Electronically signed on 2021-12-01 14:35:43 page 4 of 4

ELECTRONICALLY FILED - 2021 Dec 02 9:29 AM - GREENVILLE - COMMON PLEAS - CASE#2019CP2300367

STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE

IN THE COURT OF COMMON PLEAS

Synovus Bank,

Plaintiff,

vs.

Jeffrey L. Clemens,

Defendant.

C/A NO: 2019-CP-23-00367

PARTIAL SATISFACTION OF JUDGMENT

WHEREAS, Synovus Bank (“Synovus”), being the owner and holder of that certain judgment placed against Defendant Jeffrey L. Clemens (“Clemens”) pursuant to that Order of Default Judgment filed on June 6, 2019, in the amount of \$395,998.18 (the “Judgment”);

WHEREAS, interest is accruing on the amount due on the Judgment at 9.5% per annum;

WHEREAS, between September 22, 2022 and January 1, 2023, Plaintiff has received principal and interest payments in the amount of \$4,539.94; and

WHEREAS, as of May 21, 2024, the Judgment amount, including accrued interest, is \$639,533.15.

HAYNSWORTH SINKLER BOYD, P.A.

/s/ Mary M. Caskey

Mary M. Caskey, SC Bar No: 76198

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Columbia, SC 29211

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Attorney for Plaintiff

May 21, 2024
Columbia, South Carolina

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF GREENVILLE

THIRTHEENTH JUDICIAL CIRCUIT

Synovus Bank,

C/A NO: 2019-CP-23-00367

Plaintiff,

vs.

**ORDER AND RULE TO SHOW CAUSE
IN SUPPLEMENTAL PROCEEDINGS**

Jeffrey L. Clemens,

Defendant.

Judgment having been rendered, an execution issued, a *nulla bona* return made to said execution, the Plaintiff, Synovus Bank (“Plaintiff”), having moved for an examination of Defendant, Jeffrey L. Clemens (“Defendant”) pursuant to the provisions of South Carolina Code Ann. §15-39-310, et. seq.; It is therefore,

ORDERED that, pursuant to South Carolina Code Ann. §§ 14-11-90 and 15-30-390, this matter having been referred to the Equity Court for Greenville County to entertain and rule upon all motions necessary to dispose of this matter, to include, but not be limited to, motions to appoint a Receiver, motion to continue the matter, motions to sell all or certain property of the judgment debtor in satisfaction of the judgment, motions to dismiss, and having authority to enter a Final Order, with any appeal directly to the South Carolina Court of Appeals.

IT IS FURTHER ORDERED that DEFENDANT, JEFFREY L. CLEMENS, DO APPEAR before the Honorable Charles B. Simmons, Jr., Master-In-Equity for Greenville County, South Carolina, at the **Greenville County Courthouse, 305 East North Street, Courtroom #5, Greenville, South Carolina, on the 21st day of November, 2024 at 10:00 A.M.** to answer, under oath, concerning his assets. And TO SHOW CAUSE why property should not be applied toward satisfaction of the Judgment set out in Plaintiff’s Petition; and TO SHOW CAUSE why a Receiver

of such property should not be appointed, pursuant to the provisions of South Carolina Code Ann. § 15-39-430.

IT IS FURTHER ORDERED that **DEFENDANT** IS SUMMONED AND REQUIRED, then and there, to bring complete copies of all books and records pertaining to Defendant's assets of whatsoever kind, nature or location, including all intangible and tangible property, personal, corporate (business), real, or mixed, including, but not limited to, the following to Plaintiff, through its counsel, whose address is Haynsworth Sinkler Boyd, c/o Mary M. Caskey, 1201 Main Street, Suite 2200, Columbia, SC 29201, at least **twenty-one (21) days prior** to the hearing date set forth herein, if not already produced to Plaintiff:

1. All complete State and Federal income tax returns, with all attachments, including W-2 and 1099 Forms, for tax years 2021, 2022, and 2023, for which a return was filed by Defendant. If tax returns were not filed, provide copies of requests for extension(s) and letter(s) from government entities indicating such extension was permitted.
2. Monthly statements from January 1, 2023, to the present for all bank and/or credit union accounts, either checking, savings, IRA accounts, Certificates of Deposit and/or similar savings instruments of Defendant.
3. All records for any Venmo, Zelle, or Paypal accounts maintained or controlled by and on behalf of Defendant from January 1, 2023, to the present.
4. All loan applications submitted by the Defendant since January 1, 2022.
5. All profit and loss statements prepared for or on behalf of Defendant since January 1, 2022.
6. A list of all distributions of over \$500.00 received from companies to which Defendant is a shareholder since January 1, 2021.

7. All balance sheets prepared for or on behalf of Defendant since January 1, 2022.
8. All Quickbook records used or maintained by the Defendant since January 1, 2023.
9. A summary of all stocks, bonds or similar investment instruments held by Defendant, from January 1, 2023 to the present.
10. All records evidencing accounts receivables to and payable by Defendant from January 1, 2021 to the present.
11. All records concerning any contract entitling Defendant to current money from any source.
12. All records demonstrating or evidencing accounts receivables or rights to payment owed to Defendant from January 1, 2022 to present
13. All records provided to any accountant by Defendant since January 1, 2023.
14. All records concerning any distribution of more than \$500.00 made to or by Defendant since January 1, 2023.
15. All records evidencing any equipment owned by Defendant as of August 15, 2024, and any records related to any liens thereon.
16. Copies of all licenses, franchise agreements and operating agreements of Defendant.
17. All deeds and mortgages, whether as guarantor(s), or grantee(s), or mortgagor(s), or mortgagee(s) for any real property in which Defendant currently has any interest whatsoever, and the current balance on any liens/encumbrances.
18. All mortgages in which Defendant is the mortgagee, and entitled to payment from any third-party.

19. A list and specific description of all Defendant's company property, including vehicles and equipment, with identification of liens thereon and balance due.

20. Titles and/or bills of sale for all vehicles and equipment of any kind or description of Defendant with the current balance due on any liens/encumbrances and name and address of lienholder.

21. Copies of all endorsements, riders and/or all other documents related to property that is insured on behalf of Defendant.

22. A list of Defendant's tools and equipment with specific description and liens thereon.

23. A list of the furniture, fixtures and business equipment in use by Defendant, including a list of liens and current balances due and having a value of over \$1,000.00.

24. A list of all inventory in Defendant's possession, or inventory that has been sold or was in Defendant's possession since January 1, 2023.

25. A list of all property of Defendant that is leased, loaned or otherwise in the possession of any person other than Defendant, or stored, or remains in any location other than in Defendant's immediate possession.

26. A list of any asset over \$5,000.00 that has been transferred, sold, or donated by Defendant from January 1, 2022, to the present. For each asset, identify the asset, the date transferred, the transferee, and the value of the asset.

27. All documents concerning any asset available to satisfy the Judgment.

AND IT IS FURTHER ORDERED that at said time and place, Defendant will be required to SHOW CAUSE why, upon discovery of property by Plaintiff, the Court should not enter its appropriate order either requiring the Sheriff to levy upon Execution of Plaintiff's

Judgment or appointing a Receiver of all of the said property so discovered in order to satisfy the said Judgment or grant such other relief as is requested at the time of the examination.

AND IT IS FURTHER ORDERED that this Rule to Show Cause may be served on the Defendant by means of a private process server.

AND IT IS FURTHER ORDERED that Defendant is restricted from transferring any assets out of the ordinary course of business until otherwise ordered by this Court.

AND IT IS FURTHER ORDERED that any appeal in this case will be made directly to the South Carolina Court of Appeals.

AND IT IS FURTHER ORDERED that Defendant be, and hereby is, placed on actual notice by the service hereof, that should it not appear or otherwise produce the documents as ordered, that it may, without just cause shown, be considered to be in contempt of this Court's order, which violation could result in a fine, incarceration, or both.

IF DEFENDANT FAILS TO APPEAR AS ORDERED, DEFENDANT MAY BE HELD IN CONTEMPT OF COURT WHICH COULD RESULT IN A FINE AND/OR JAIL SENTENCE.

AND IT IS SO ORDERED.

JUDGE'S ELECTRONIC SIGNATURE PAGE TO FOLLOW



Greenville Common Pleas

Case Caption: Synovus Bank vs. Jeffrey L Clemens

Case Number: 2019CP2300367

Type: Order/Rule To Show Cause

And It Is So Ordered!

s/ Judge Charles B. Simmons, Jr. (3023)

Electronically signed on 2024-09-18 09:18:58 page 6 of 6

ELECTRONICALLY FILED - 2024 Sep 18 10:23 AM - GREENVILLE - COMMON PLEAS - CASE#2019CP2300367

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Synovus Bank,

Plaintiff,

vs.

Jeffrey L. Clemens,

Defendant.

IN THE COURT OF COMMON PLEAS

THIRTHEENTH JUDICIAL CIRCUIT

C/A NO: 2019-CP-23-00367

**MOTION AND ORDER
TO RESCHEDULE SUPPLEMENTAL
PROCEEDINGS HEARING**

This matter comes before the Court on the Motion of Plaintiff Synovus Bank (“Plaintiff”), having moved for an examination of Defendant, Jeffrey L. Clemens (“Defendant”) pursuant to the provisions of South Carolina Code Ann. §15-39-310, et. seq.;

Pursuant to a Motion for Continuance filed by counsel for Defendant, the supplemental proceedings hearing scheduled for November 21, 2024 was continued;

Plaintiff hereby moves this Court for a new hearing in supplemental proceedings. It is therefore,

ORDERED that, upon motion of Plaintiff, the supplemental proceedings hearing in the captioned matter is rescheduled for December 12, 2024 at 10:00 a.m.

IT IS FURTHER ORDERED that Defendant is required to appear and produce financial documents as set forth in the Order and Rule to Show Cause served on him on October 9, 2024.

AND IT IS SO ORDERED.

[JUDGE’S ELECTRONIC SIGNATURE PAGE TO FOLLOW]



Greenville Common Pleas

Case Caption: Synovus Bank vs. Jeffrey L Clemens
Case Number: 2019CP2300367
Type: Order/Supplemental Proceedings Order

And It Is So Ordered!

s/ Judge Charles B. Simmons, Jr. (3023)

Electronically signed on 2024-11-26 13:41:58 page 2 of 2

ELECTRONICALLY FILED - 2024 Nov 26 2:19 PM - GREENVILLE - COMMON PLEAS - CASE#2019CP2300367

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Synovus Bank,

Plaintiff,

vs.

Jeffrey L. Clemens,

Defendant.

IN THE COURT OF COMMON PLEAS

FOR THE THIRTEENTH JUDICIAL CIRCUIT

C/A NO: 2019-CP-23-00367

ORDER

This matter comes before me in Supplemental Proceedings commenced by Synovus Bank to collect a judgment entered in favor of Synovus Bank against Defendant Jeffrey L. Clemens (“Clemens”) on June 6, 2019, in the amount of \$395,998.18 (the “Judgment”). On September 18, 2024, I issued an Order and Rule to Show Cause in Supplemental Proceedings (the “RTSC Order”). A hearing pursuant to the RTSC Order was held before me on December 12, 2024. Mary M. Caskey, Esq. appeared for Synovus Bank. James G. Carpenter, Esq. appeared for Clemens. Despite proper notice, Clemens failed to appear at the hearing as required by the RTSC Order.

This is the second supplemental proceedings before this Court. In the prior proceedings, the Court entered a charging order on December 2, 2021 (the “2021 Charging Order”), attaching various dividends, distributions, profits, and other amounts payable from corporations and companies in which Clemens has an interest. The 2021 Charging Order expired on December 2, 2023.

Prior to the hearing, Synovus Bank completed initial written discovery and received certain bank and tax records from Clemens. Synovus Bank informed the Court that Clemens may have received distributions that were subject to the 2021 Charging Order. Further, Synovus Bank requested an extension of the 2021 Charging Order in addition to additional documentation and

testimony from Clemens. Based on the information presented at the hearing and the RTSC Order, it is hereby ORDERED:

1. The 2021 Charging Order is hereby extended as of December 12, 2024, for ninety (90) days until March 12, 2025, pending further proceedings in this case. IT IS ORDERED that the Judgment shall attach to Clemens' interest in any dividends, distribution, profits, or other amounts payable from the following entities: Clemens Family Corporation, ITSPE, LLC (either directly or through Wells Fargo, as trustee), ABCD Treats of Greenville, LP, Clemens Realty Group, LLC, Computershare Trust Company, National Association, in its capacity as Indenture Trustee, as successor to Wells Fargo Bank, N.A., with respect to the Series A Notes and Series B Notes pursuant to the Chapter 11 Plan of the Cliffs Club & Hospitality Group, Inc., et al., and Snap Dragon Way, LLC. Synovus Bank shall serve this Order on all other members of any corporation or company whose distributions are impacted by this Order, to the extent such other members are known, and on the registered agent for each entity if it is someone other than Clemens. Any entity subject to this Order is instructed that all dividends, distribution, profits, or other amounts payable to Clemens during the pendency of this Order shall be made payable to "Haynsworth Sinkler Boyd, P.A" and remitted to Synovus Bank, c/o Haynsworth Sinkler Boyd, Attn: Mary M. Caskey, 1201 Main Street, Suite 2200, Columbia, SC 29201.

2. Further, Clemens is bound by the terms of the RTSC Order, which remains in effect. Clemens is restricted from transferring any assets out of the ordinary course of business and is ordered to produce the documentation identified in the RTSC Order to Synovus Bank, including but not limited to the following, no later than **January 15, 2025**:

- a. Monthly statements from January 1, 2023 to December 31, 2024 for all bank and/or credit union accounts, either checking, savings, IRA accounts,

Certificates of Deposits, and/or similar savings instruments of Defendant.

- b. All records for any Venmo, Zelle, or Paypal accounts maintained or controlled by and on behalf of Defendant from January 1, 2023 to the present.
 - c. All loan applications submitted by the Defendant since January 1, 2022.
 - d. A list of all distributions of over \$500.00 received from companies to which Defendant is a shareholder since January 1, 2021.
 - e. A summary of all stocks, bonds, or similar investment instruments held by Defendant, from January 1, 2023, to the present.
 - f. All records concerning any contract entitling Defendant to current money from any source.
 - g. All deeds and mortgages of any real property of which Defendant currently has any interest whatsoever, and the current balance on any liens/encumbrances.
 - h. Titles and/or bills of sale for all vehicles and equipment of any kind or description of Defendant with the current balance of any liens/encumbrances and the names and address of lienholder.
 - i. A list of all furniture, fixtures, or equipment in use by Defendant.
 - j. A list of any asset over \$50,000 that has been transferred, sold, or donated by Defendant from January 1, 2022 to the present. For each asset, identify the asset, the date transferred, the transferee, and the value of the asset.
 - k. All documents concerning any asset available to satisfy the Judgment.
3. Clemens is further ordered to appear for a deposition on **January 31, 2025, at 10:00**

a.m. at the law office of Haynsworth Sinkler Boyd, P.A., One North Main, 2nd Floor, Greenville, South Carolina 29601.

4. Clemens is further ordered to pay the attorneys' fees and costs of Synovus Bank for the hearing on December 12, 2024, in the amount of \$1,748.64. Payment should be made payable to "Haynsworth Sinkler Boyd, P.A., and sent to Haynsworth Sinkler Boyd, Attn: Mary M. Caskey, 1201 Main Street, Suite 2200, Columbia, SC 29201 no later than January 15, 2025.

5. Failure to comply with this Order may result in Clemens being held in contempt of court and subject to sanctions, including incarceration.

AND IT IS SO ORDERED.

[JUDGE/CLERK OF COURT ELECTRONIC SIGNATURE PAGE TO FOLLOW]



Greenville Common Pleas

Case Caption: Synovus Bank vs. Jeffrey L Clemens

Case Number: 2019CP2300367

Type: Master/Order/Other

And It Is So Ordered!

s/ Judge Charles B. Simmons, Jr. (3023)

Electronically signed on 2025-01-02 13:10:28 page 5 of 5

ELECTRONICALLY FILED - 2025 Jan 02 1:38 PM - GREENVILLE - COMMON PLEAS - CASE#2019CP2300367

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Synovus Bank,

Plaintiff,

vs.

Jeffrey L. Clemens,

Defendant.

IN THE COURT OF COMMON PLEAS

FOR THE THIRTEENTH JUDICIAL CIRCUIT

C/A NO: 2019-CP-23-00367

**ORDER
IN SUPPLEMENTAL PROCEEDINGS**

This matter comes before me in Supplemental Proceedings commenced by Synovus Bank to collect a judgment entered in favor of Synovus Bank against Defendant Jeffrey L. Clemens (“Clemens”) on June 6, 2019, in the amount of \$395,998.18 (the “Judgment”). On September 18, 2024, the Court issued an Order and Rule to Show Cause in Supplemental Proceedings for the November 21, 2024 hearing (the “RTSC Order”), which RTSC Order was personally served on Clemens on October 9, 2024 as evidenced by the Affidavit of Service filed with the Court on October 16, 2024. The November 21, 2024 was rescheduled to December 12, 2024. Mary M. Caskey, Esq. appeared for Synovus Bank; and James G. Carpenter, Esq. appeared for Clemens. Clemens failed to appear at the December 12, 2024 hearing without prior notice or justification to the Court, and failed to produce all documents in the RTSC Order.

Due to Clemens’ failure to comply with the RTSC Order, the Court issued an order on January 2, 2025 (the “2025 Order”), directing Clemens to pay sanctions no later than January 15, 2025, in the amount of \$1,748.64 by January 15, 2025. The 2025 Order further required Clemens to produce financial records by January 15, 2025. Synovus Bank’s counsel has informed the Court that she believes Clemens has not complied in full with the 2025 Order.

Based on the foregoing, Clemens shall appear before me at the Greenville County Courthouse, 305 North Street, Courtroom #5, Greenville South Carolina on **March 4, 2025 at 9:00 a.m.** to answer under oath questions concerning his assets, to show cause why property should not be applied toward satisfaction of the Judgment, and to show cause why he should not be held in contempt of the 2025 Order.

AND IT IS SO ORDERED.

[JUDGE'S ELECTRONIC SIGNATURE PAGE TO FOLLOW]



Greenville Common Pleas

Case Caption: Synovus Bank vs. Jeffrey L Clemens
Case Number: 2019CP2300367
Type: Order/Supplemental Proceedings Order

And It Is So Ordered!

s/ Judge Charles B. Simmons, Jr. (3023)

Electronically signed on 2025-01-31 14:46:56 page 3 of 3

ELECTRONICALLY FILED - 2025 Jan 31 3:31 PM - GREENVILLE - COMMON PLEAS - CASE#2019CP2300367

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Synovus Bank,

Plaintiff,

vs.

Jeffrey L. Clemens,

Defendant.

IN THE COURT OF COMMON PLEAS

FOR THE THIRTEENTH JUDICIAL CIRCUIT

C/A NO: 2019-CP-23-00367

ORDER

This matter comes before me in Supplemental Proceedings commenced by Synovus Bank to collect a judgment entered in favor of Synovus Bank against Defendant Jeffrey L. Clemens (“Clemens”) on June 6, 2019, in the amount of \$395,998.18 (the “Judgment”). A hearing was held before me on March 4, 2025. Mary M. Caskey, Esq. appeared for Synovus Bank. Clemens appeared and was represented by James G. Carpenter.

By way of background, on September 18, 2024, the Court issued an Order and Rule to Show Cause in Supplemental Proceedings (the “RTSC Order”). An initial hearing pursuant to the RTSC Order was held on December 12, 2024.¹ Despite proper notice, Clemens failed to appear at the December 12th hearing as required by the RTSC Order. As a result, this Court issued an Order on January 2, 2025, in which it ordered a sanction of \$1,748.64 against Clemens for failing to appear, and ordered Clemens to produce financial records and participate in a deposition as set forth in the Order. Clemens appeared for the deposition.

This is the second supplemental proceedings before this Court, arising out of this action. In

¹ The original hearing set forth in the RTSC Order was scheduled for November 21, 2024. Mr. Clemens requested a continuance, to which Plaintiff consented. The hearing was rescheduled pursuant to this Court’s Order entered on November 26, 2024.

the prior proceedings, the Court entered a charging order on December 2, 2021 (the “2021 Charging Order”), attaching various dividends, distributions, profits, and other amounts payable from corporations and companies in which Clemens has an interest. The 2021 Charging Order expired on December 2, 2023.

During the period the 2021 Charging Order was in effect, Mr. Clemens submitted multiple payments to various organizations but admitted he received \$1,336.91 from The Clemens Family Corporation on January 31, 2023. Mr. Clemens further stated that he was aware of the 2021 Charging Order, and admitted turning over distributions that he received in 2022 to Synovus Bank, in order to comply with the 2021 Charging Order. Despite this knowledge, Mr. Clemens never turned over the \$1,336.91 distribution from the Clemens Family Corporation to Synovus Bank.

In addition to the amounts owed for sanctions for failing to appear in December 2024, and the amounts owed pursuant to the 2021 Charging Order, Synovus also requested that Mr. Clemens turnover approximately \$9,000.00 that was paid by Computershare Trust Company, National Association, in its capacity as Indenture Trustee, as successor to Wells Fargo Bank, N.A., with respect to the Series A Notes and Series B Notes pursuant to the Chapter 11 Plan of the Cliffs Club & Hospitality Group, Inc., et al. (“Computershare”) to Mr. Clemens in December 2024. Although Synovus Bank acknowledges that the 2021 Charging Order had expired by December 2023, Synovus Bank argues that Mr. Clemens was subject to the RTSC Order, which provides that Mr. Clemens was restricted from transferring assets outside the ordinary course of business. A hearing on the RTSC was set for November 21, 2024, and at the request of Mr. Clemens, continued to December 12, 2024. Counsel for Synovus Bank does not know when the \$9,000 check was received by Mr. Clemens, but Clemens testified it was sometime in December 2024. Synovus Bank argues that based on the RTSC Order, Mr. Clemens should be compelled to turn over the funds from Computershare.

In response Mr. Clemens claims that the debt is owed to him and his wife jointly. The Court elects to take that matter under advisement, subject to receiving a copy of the check and any accompanying documents.

Finally, Synovus Bank seeks an extension of the Charging Order entered on January 2, 2025 (“2025 Charging Order”), on the grounds that Mr. Clemens testified he still has an ownership in each of the entities listed therein. Clemens objected to the extension of the 2025 Charging Order on the grounds that the two years covered by the 2021 Charging Order was sufficient. There is no limit under South Carolina law as to the length of time a charging order may be applied, and Clemens has not shown any reason why the 2025 Charging Order should not be extended for a reasonable amount of time as to his ownership interest in the entities subject to the order.

Synovus Bank also seeks to recover funds paid by Computershare Trust Company to Mr. Clemens by check dated November 30, 2023, in the amount of \$6,145.17. The check was made payable to “Jeffrey L. Clemens,” and was issued while the 2021 Charging Order was in effect. However, Mr. Clemens did not turn the funds over to Synovus Bank, arguing that he received it after the 2021 Charging Order had expired. Like with the funds due from The Clemens Family Corporation, the 2023 check from Computershare should have been turned over to Synovus Bank. The Court will address that issue at a future hearing.

Based on the information presented at the hearing and the RTSC Order, it is hereby ORDERED:

1. The 2025 Charging Order is hereby extended from March 13, 2025 for approximately 18 months, to end September 21, 2026. And for good cause shown, Plaintiff may file a motion seeking to extend the same. IT IS ORDERED that the Judgment shall attach to Clemens’ interest in any dividends, distribution, profits, or other amounts payable from the following entities: Clemens

Family Corporation, ITSPE, LLC (either directly or through Wells Fargo, as trustee), ABCD Treats of Greenville, LP, ABCD Treats, Inc. (as to Clemens interest therein) , Clemens Realty Group, LLC, Computershare Trust Company, National Association, in its capacity as Indenture Trustee, as successor to Wells Fargo Bank, N.A., with respect to the Series A Notes and Series B Notes pursuant to the Chapter 11 Plan of the Cliffs Club & Hospitality Group, Inc., et al., (as to Clemens interest therein) and Snap Dragon Way, LLC. Synovus Bank shall serve this Order on all other members of any corporation or company whose distributions are impacted by this Order, to the extent such other members are known, and on the registered agent for each entity if it is someone other than Clemens. Any entity subject to this Order is instructed that all dividends, distribution, profits, or other amounts payable to Clemens during the pendency of this Order shall be made payable to “Haynsworth Sinkler Boyd, P.A” and remitted to Synovus Bank, c/o Haynsworth Sinkler Boyd, Attn: Mary M. Caskey, 1201 Main Street, Suite 2200, Columbia, SC 29201.

2. Further, due to his failure to pay the sanctions set forth in the 2025 Charging Order, and failure to turn over funds as directed in the 2021 Charging Order, Clemens is ordered to pay a total of \$3,085.55 no later than 10:00 am on March 5, 2025. This amount represents the attorney fees and costs incurred in enforcing the Court’s order. The attorneys represent to the Court that said amount has been paid following the hearing and prior to this Order being filed.

3. Failure to comply with this Order may result in Clemens being held in contempt of court and subject to sanctions, including incarceration.

AND IT IS SO ORDERED.

[JUDGE/CLERK OF COURT ELECTRONIC SIGNATURE PAGE TO FOLLOW]

ELECTRONICALLY FILED - 2025 Mar 14 4:30 PM - GREENVILLE - COMMON PLEAS - CASE#2019CP2300367



Greenville Common Pleas

Case Caption: Synovus Bank vs. Jeffrey L Clemens

Case Number: 2019CP2300367

Type: Order/Other

And It Is So Ordered!

s/ Judge Charles B. Simmons, Jr. (3023)

Electronically signed on 2025-03-14 16:02:10 page 6 of 6

ELECTRONICALLY FILED - 2025 Mar 14 4:30 PM - GREENVILLE - COMMON PLEAS - CASE#2019CP2300367

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Synovus Bank,

Plaintiff,

vs.

Jeffrey L. Clemens,

Defendant.

IN THE COURT OF COMMON PLEAS

FOR THE THIRTEENTH JUDICIAL CIRCUIT

C/A NO: 2019-CP-23-00367

**ORDER
IN SUPPLEMENTAL PROCEEDINGS**

This matter comes before me in Supplemental Proceedings commenced by Plaintiff Synovus Bank to collect a judgment entered in favor of Synovus Bank against Defendant Jeffrey L. Clemens (“Clemens”) on June 6, 2019, in the amount of \$395,998.18 (the “Judgment”). On September 18, 2024, the Court issued an Order and Rule to Show Cause in Supplemental Proceedings for the November 21, 2024 hearing (the “RTSC Order”). Following several hearings in this matter, the Court issued an Order on March 14, 2025, concerning Synovus’s request for attachment of the Judgment to certain distributions made to Clemens, and in relevant part to this Order, took under advisement whether or not distributions made to Clemens by Computershare Trust Company, National Association, in its capacity as Indenture Trustee, as successor to Wells Fargo Bank, N.A., with respect to the Series A Notes and Series B Notes pursuant to the Chapter 11 Plan of the Cliffs Club & Hospitality Group, Inc., et al. (“Computershare”) were subject to attachment.

Specifically, Synovus sought the attachment of (1) \$6,145.17 paid to Clemens by Computershare by check dated November 30, 2023, while a prior charging order was in effect (the “2023 Payment”); and (2) \$9,494.00 paid to Clemens in December 2024, which was subject to the Rule to Show Cause Order directing no transfers, and was paid after the Rule to Show Cause was entered but before a hearing could occur (the “2025 Payment”) (collective the “Computershare

Payments”).

In response, Clemens argued that the Judgment should not attach to the Computershare Payments because the loan that was made and gave rise to the Computershare Payments was made jointly by Clemens and his wife, Kelly Clemens. The Court had previously entered three charging orders directed at Computershare and Clemens’ interest, and prior to March 2025, Clemens had never provided evidence that the loan to Computershare was made by anyone other than Clemens. In fact, other Computershare distributions have been paid to Synovus in compliance with this Court’s prior orders, with no objection from Clemens. Further, the checks evidencing the Computershare Payments were made payable only to Clemens, and not jointly to Clemens and his wife. Nevertheless, upon review of the information provided in March and June 2025 by Clemens through counsel, it appears to the Court that the loan made to Computershare was jointly made by Clemens and his wife. However, the Court finds that the 2023 and 2024 Payments were made while a charging order and Rule to Show Cause were in effect, and therefore the Judgment is properly attached to both of the Computershare Payments. Moving forward, only 50% of the payments from Computershare is subject to attachment.

Based on the foregoing, the Court finds that the Computershare Payments are properly due and owing to Synovus Bank and directs Clemens to issue payment in the amount of \$15,639.17 to Synovus Bank, care of its counsel Mary M. Caskey, within thirty (30) days of the date of this Order.

AND IT IS SO ORDERED.

Honorable Charles B. Simmons
Master-In-Equity, Greenville County

[JUDGE'S ELECTRONIC SIGNATURE PAGE TO FOLLOW



Greenville Common Pleas

Case Caption: Synovus Bank vs. Jeffrey L Clemens
Case Number: 2019CP2300367
Type: Order/Supplemental Proceedings Order

And It Is So Ordered!

s/ Judge Charles B. Simmons, Jr. (3023)

Electronically signed on 2025-06-30 08:37:01 page 4 of 4

ELECTRONICALLY FILED - 2025 Jun 30 9:32 AM - GREENVILLE - COMMON PLEAS - CASE#2019CP2300367

STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE

IN THE COURT OF COMMON PLEAS

Synovus Bank,

C/A NO: 2019-CP-23-00367

Plaintiff,

vs.

**PETITION
FOR SUPPLEMENTAL PROCEEDINGS**

Jeffrey L. Clemens,

Defendant.

Synovus Bank (“Plaintiff”) would respectfully show:

1. Plaintiff is the holder of a judgment against Defendant Jeffrey L. Clemens (“Defendant”) entered on June 6, 2019 in Greenville County, South Carolina (the “Judgment”).
2. Defendant remains liable for the Judgment having failed and refused to satisfy the same.
3. Interest continues to accrue on the remaining amount due on the Judgment until paid in full.
4. A Writ of Execution was sent to the Sheriff of Greenville County, and the Sheriff has returned the same *nulla bona*, which return was filed with the Court on August 22, 2024.
5. Upon information and belief, Defendant has assets in Greenville County not exempt from levy which he unjustly refuses to apply toward satisfaction of the Judgment.
6. Plaintiff is informed and believes that it is entitled, under S.C. Code Ann. § 15-39-310, to have an examination of the Defendant in supplemental proceedings to ascertain and discover any and all property and assets, real, personal, or mixed and wherever situated, belonging to Defendant or in which Defendant could claim any interest, solely, or in conjunction with any

person, firm, corporation, or entity, and any or all of which is or should be made applicable by the Court to the payments of said Judgment.

7. Plaintiff is further informed and believes that it is entitled to the appointment of a Receiver of assets of Defendant for any and all of the aforesaid property, assets, or effects which are so discovered or revealed, to carry the Judgment into effect.

WHEREFORE, Plaintiff prays that this Court inquire into the matters hereinabove alleged, to commence supplemental proceedings with authority to enter a final order, with any appeal directly to the South Carolina Court of Appeals. Further, Plaintiff prays that this Court issue a Rule to Show Cause Order directing Defendant to appear and answer under oath concerning its assets; that Defendant be restrained until further order of the Court from alienating, encumbering or otherwise disposing of any assets belonging to him, or ownership in a business, pending further order of the Court; granting relief to which Plaintiff believes it is entitled, for all expended and statutory costs allowable for these proceedings; and, for such other and further relief as the Court deems just and proper.

HAYNSWORTH SINKLER BOYD, P.A.

s/ Mary M. Caskey

Mary M. Caskey, SC Bar No: 76198

Post Office Box 11889

Columbia, SC 29211

Telephone: (803) 779-3080

mcaskey@hsblawfirm.com

ATTORNEYS FOR PLAINTIFF

September 4, 2024
Columbia, South Carolina

STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE

IN THE COURT OF COMMON PLEAS
THIRTHEENTH JUDICIAL CIRCUIT

Synovus Bank,

Plaintiff,

vs.

Jeffrey L. Clemens,

Defendant.

C/A NO: 2019-CP-23-00367

PLAINTIFF’S MOTION FOR SUPPLEMENTAL PROCEEDINGS HEARING

Plaintiff Synovus Bank (“Plaintiff”) moves for a hearing in the above-captioned matter on multiple issues arising in supplemental proceedings. Plaintiff is the holder of a judgment entered in favor of Synovus Bank against Defendant Jeffrey L. Clemens (“Clemens”) on June 6, 2019, in the amount of \$395,998.18 (the “Judgment”). On September 18, 2024, the Court issued an Order and Rule to Show Cause in Supplemental Proceedings for the November 21, 2024 hearing (the “RTSC Order”), which was personally served on Clemens on October 9, 2024. Counsel for Clemens notified the Court and counsel for Plaintiff that Clemens had a trip planned out of the county on November 21, 2024; and the hearing was rescheduled for December 12, 2024. Clemens failed to appear at the December 12, 2024; and the Court issued an order on January 2, 2025 (the “2025 Order”). The 2025 Order extended a prior charging order entered in the case, directed Clemens to pay sanctions in the amount of \$1,748.64, and produce financial records by January 15, 2025. As of the date of this Motion, Plaintiff believes that Clemens failed to comply with a prior charging order in 2021 and the 2025 Order. Plaintiff seeks to resume the hearing on the RTSC Order, and require Clemens to appear and answer under oath questions concerning his assets, to show cause why property should not be applied toward satisfaction of the Judgment,

and to show cause why he should not be held in contempt of the 2025 Order.

HAYNSWORTH SINKLER BOYD, P.A.

s/ Mary M. Caskey

Mary M. Caskey, SC Bar No: 76198
Sabrina M. Pappas, SC Bar No: 106661
Post Office Box 11889
Columbia, SC 29211
Telephone: (803) 779-3080
mcaskey@hsblawfirm.com
spappas@hsblawfirm.com

ATTORNEYS FOR PLAINTIFF

January 27, 2025
Columbia, South Carolina

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF GREENVILLE

THIRTHEENTH JUDICIAL CIRCUIT

Synovus Bank,

C/A NO: 2019-CP-23-00367

Plaintiff,

vs.

**DEFENDANT'S THIRD RESPONSE TO
ORDER AND RULE TO SHOW CAUSE
IN SUPPLEMENTAL PROCEEDINGS**

Jeffrey L. Clemens,

Defendant.

NOW COMES the Defendant, Jeffrey L. Clemens, by his undersigned attorney, and makes this Third Response to the Court's Order and Rule to Show Cause to address perceptions that the Defendant harbors contempt for the Court and its rulings. Defendant has nothing but respect for the Court and its orders.

1. As ordered by the Court, **Defendant sent a check by overnight delivery** to the attorney for the bank in the amount of \$3,085.55, (**Exhibit 1**) representing the money received by the Defendant and the award of costs and sanctions for his missing the December hearing.

2. Defendant is a realtor and does not receive a regular salary. He receives compensation only by commissions from real estate sales. He testified in his deposition that he had not paid the sanctions. The reason was **he did not have the money**. He recently received sufficient commissions to pay the sanctions and the \$1,323 received earlier. Accordingly, he paid the amount due.

3. The November hearing was postponed to December. Defendant missed the December hearing for two reasons: (1) he was out of the country visiting his grandchild, and (2)

the emails from the undersigned attorney notifying him of the hearing had **gone to his junk mail**.

Defendant did not intend to show contempt for the Court.

4. December 6, 2024, Defendant received a check for \$9,494.46. This check should **not** be applied to the debt for several reasons: (1) the Court's prior **Charging Order had expired** in December 2023. (2) The check represents a partial repayment of a \$100,000 **loan** that the Defendant and his wife made **from joint funds** to the Cliffs in 2010, to try to keep the Cliffs afloat financially. Defendant attaches a copy of the agreement showing that the Defendant and his wife invested jointly (**Exhibit 2**). Defendant also attaches a copy of the checks to the Cliffs for \$95,000 and \$5100, paid from the joint account (**Exhibit 3**). Defendant has received back only about \$30,000-40,000 of the \$101,000 invested, meaning this money is **not income**. (3) The paragraph in the **Rule to Show Cause Order** entered September 18, 2024, on which the bank relies, **does not plainly require** the surrendering of that check. It reads, "Defendant is restricted from *transferring* any assets out of the ordinary course of business" (emphasis added). Defendant suggests that receiving and cashing this check for partial repayment of an old loan made from joint funds is not "*transferring* assets out of the ordinary course of business."

5. The parties disagreed openly in court about whether the bank had made a settlement offer. Defendant understood that the Court was asking about *comprehensive* settlement offers. The bank did **not** make a *comprehensive* settlement offer, which **Defendant had requested**, but made an offer of only *partial* and *temporary* relief, contingent upon the payment of extra cash. Defendant was not interested in a partial and temporary settlement offer, or the payment of extra cash.

6. Defendant has cooperated in providing records to the bank. For example, the first time that the bank requested Defendant's credit cards statements, with any specificity, was recently

JEFFREY L. CLEMENS
KELLY B. CLEMENS
27 ENOREE ROAD
TRAVELERS REST, SC 29690

2237

67-801/532

March 4, 2025 Date

Pay to the Order of Haynsworth, Sinkler, Boyd, PA

\$ 3,085.55

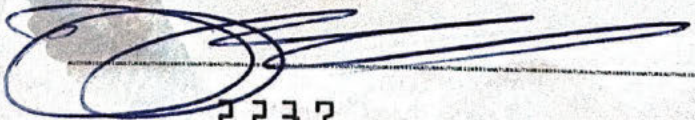
Three Thousand and Eighty Five $\frac{55}{100}$ Dollars

 Security Features Details on Back.

God Bless America

SOUTHERN FIRST BANK

For Judges Court Order - 3/4/25



Acct # Ending 2968

2968

2237

APPENDIX A
SUBSCRIPTION AGREEMENT

April 1, 2010

The Cliffs Club & Hospitality Group, Inc.
P.O. Box 1279
3598 Highway 11
Travelers Rest, South Carolina 29690
Attention: J. Scott Carlton

Re: Purchase of Notes of The Cliffs Club & Hospitality Group, Inc.

Gentlemen:

I understand that The Cliffs Club & Hospitality Group, Inc. ("ClubCo"), a South Carolina corporation, is offering senior notes of ClubCo in two separate Series, Series A Notes and Series B Notes at \$100,000 and \$50,000 per unit, respectively, to a limited number of investors in order to raise funds for the construction and revitalization of core amenities, discharge of certain indebtedness and for no other purposes than for the operations of the Clubs.

Based on these premises, I hereby confirm my agreement (the "Subscription Agreement") with you as follows:

1. On the date hereof, I agree to purchase from ClubCo, and in reliance on my representations, warranties, and covenants contained herein, ClubCo agrees to issue and sell to me, such notes in ClubCo as are set forth on the signature page hereof (the "Notes"), for an aggregate amount set forth on such signature page.

2. I shall purchase the Notes by (i) delivering to the Indenture Trustee a certified or personal check, cash, or wire transfer in an amount equal to the number of notes I am purchasing multiplied by the respective purchase price per unit; and (ii) designating the Notes I am purchasing as either Series A Notes having a 3.18% annual return plus Dues, or Series B Notes having the greater of (x) a 12% annual return, or (y) the total annualized return of the Series A Notes, as further described in the private placement memorandum.

3. I represent, warrant, and agree as follows:

(a) I am an "accredited investor" or "sophisticated purchaser" as defined under Regulation D under the Securities Act.

(b) I have accurately and completely responded to the Investor Questionnaire attached to this Subscription Agreement as Appendix B.

(c) I have had an opportunity to ask questions of and receive answers from representatives of ClubCo concerning the investment in the Notes. I also understand that ClubCo will, upon my request, make available to me a copy of any information regarding ClubCo and its proposed operations which ClubCo possesses or can obtain without unreasonable expense (the "Information"). I have such knowledge and experience in financial and business matters that I am capable of evaluating the merits and risks of the investment in the Notes. I acknowledge that I have conducted my own due diligence and analysis with respect to ClubCo, the Notes, and any other matter which I believe to be material to my decision to invest in ClubCo and further acknowledge that I am making my investment decision based on this due diligence and analysis.

A-1

(d) I understand that the Notes to be issued pursuant to this Subscription Agreement have not been passed on as to the fairness or recommended or endorsed by any federal or state agency and their issuance will not be registered under the Securities Act of 1933 or the securities laws of any state, in reliance upon exemptions from registration contained in the Securities Act of 1933 and such laws. ClubCo's reliance upon such exemptions is based in part upon my representations, warranties, and agreements contained in this Subscription Agreement. I acknowledge that the Notes have not been offered or sold to me through the use of any general or public solicitations or advertisements, and I confirm that I have a preexisting relationship with one of ClubCo's officers or directors or another person closely associated with ClubCo.

(e) I am purchasing the Notes for my own account and not for distribution or resale to others, and I agree that I will not sell or otherwise transfer the Notes except in accordance with the restrictions on transfer in the Indenture and unless the Notes have been registered under the Securities Act of 1933 and applicable state securities laws, or, in the opinion of counsel to ClubCo, an exemption therefrom is available.

(f) The certificates representing the Notes will contain a legend stating that their issuance has not been registered under the Securities Act of 1933 or any state securities laws and referring to the above restrictions on transferability and sale. A notation will also be made in the records of ClubCo so that transfers of the Notes will not be effected in the records of ClubCo without compliance with these restrictions.

(g) I acknowledge that an investment in ClubCo is speculative and involves a high degree of risk, including the loss of my entire investment in ClubCo. I have reviewed the private placement memorandum for this offering, including the section on risk factors, the Indenture and all other ancillary documents.

(h) I acknowledge that no member of CCI's finance advisory committees, the Advisory Board, or any other Member committee is acting or has acted as a broker, dealer, employee, agent, or representative of CCI or ClubCo in connection with this offering. I further acknowledge that no member of CCI's finance advisory committee, the Advisory Board, or any other Member committee is acting or has acted as an agent or representative of any prospective investor in connection with this offering, and no Member owes fiduciary duties to any other Member. I understand that in making an investment decision, I must independently examine and evaluate ClubCo and the terms of the offering, including the merits and risks involved, and that I must independently determine whether to invest in the Notes. I further understand that I may not rely on any information provided by, any advice provided by, or any discussions with, any member of CCI's finance advisory committees, the Advisory Board, or any other Member committee in making an investment decision. I hereby waive any right to hold any such individuals liable, except in the case of actual, intentional fraud on the part of such individual.

4. *[For Series A Noteholders Only]* Where the Subscriber is purchasing Series A Notes, the undersigned hereby certifies that it is not a "benefit plan investor" within the meaning of Section 3(42) of ERISA and 29 C.F.R. § 2510.3-101(f)(2), and no "benefit plan investors" are or will ever be investors in the undersigned. The undersigned covenants that no Series A Note or any interest therein shall be transferred to a "benefit plan investor" or to any entity in which a "benefit plan investor" is or will invest. For the avoidance of doubt, the term "benefit plan investor" includes all employee benefit plans subject to Part 4, Subtitle B, Title I of ERISA, any plan to which Section 4975 of the Code applies and any entity, including an insurance company general account, whose underlying assets include "plan assets," as defined under 29 C.F.R. § 2510.3-101 and Section 3(42) of ERISA, by reason of a plan's investment in such entity.

5. *[For Series B Noteholders Only]* Where the Subscriber is purchasing Series B Notes, the purchase may be made with personal or retirement funds. If the purchase is made with retirement funds, the undersigned hereby

certifies that (a) it is a "benefit plan investor" (as defined above); (b) that it is not an "employee benefit plan" (as such term is defined in Section 3(3) of ERISA); and (c) that it is an individual retirement account established under Section 408 of the Code ("IRA") which is not subject to Title I of ERISA. The undersigned covenants that no Series B Note or any interest therein shall be transferred to (a) a "benefit plan investor" other than an IRA which is not subject to Title I of ERISA or (b) any entity in which a "benefit plan investor" other than an IRA which is not subject to Title I of ERISA is or will invest. For the avoidance of doubt, the term "benefit plan investor" includes all employee benefit plans subject to Part 4, Subtitle B, Title I of ERISA, any plan to which Section 4975 of the Code applies and any entity, including an insurance company general account, whose underlying assets include "plan assets," as defined under 29 C.F.R. § 2510.3-101 and Section 3(42) of ERISA, by reason of a plan's investment in such entity.

6. I acknowledge that the private placement memorandum and the Information is confidential, and I agree that all such private placement memorandum and Information shall be kept in confidence by me; provided that this obligation shall not apply to any such Information that (i) is part of the public knowledge or literature and readily accessible at the date hereof; (ii) becomes part of the public knowledge or literature and readily accessible by publication (except as a result of a breach of this provision); or (iii) is received from a third party (except a third party who discloses such information in violation of any confidentiality agreement). Further, this obligation does not prohibit my discussion of such private placement memorandum and Information with my counsel, accountant, or other financial advisor solely for the purpose of assisting my analysis and assessment of such Information and an investment in ClubCo.

7. I acknowledge that I have received such information I deem necessary in order to make my investment decision with respect to the Notes. I understand that I and my professional advisor(s), if any, have the right to ask questions of and receive answers from ClubCo and its officers and directors, and to obtain such information concerning the terms and conditions of the offering of the Notes to the extent that ClubCo possesses the same or could acquire it without unreasonable effort or expense, as I and any of my professional advisor(s) deem necessary to verify the accuracy of the information referred to in the private placement memorandum pursuant to which the Notes are being offered. I represent and agree that I and my professional advisor(s), if any, have asked such questions, received such answers and obtained such information as I and my professional advisor(s), if any, deem necessary to verify the accuracy (1) of the information referred to in the private placement memorandum and (2) of any other information that I and my professional advisor(s), if any, deem relevant to making an investment decision with respect to the Notes.

8. I acknowledge that ClubCo and its board of directors are relying on the truth and accuracy of the foregoing representations and warranties in offering the Notes for sale to me without having first registered the issuance of the Notes under the Securities Act of 1933. I also understand the meaning and legal consequences of the representations and warranties in this Agreement, and I agree to indemnify and hold harmless ClubCo and its board of directors, agents, and employees from and against any and all loss, damage or liability, including costs and expenses (including reasonable attorneys' fees), due to or arising out of a breach of any such representations or warranties or any failure to fulfill any covenants or agreements contained in this Subscription Agreement. All representations, warranties, and covenants contained in this Agreement and the indemnification contained herein shall survive the acceptance of this Subscription Agreement and the sale of the Notes. Notwithstanding the foregoing, however, no representation, warranty, acknowledgement, or agreement made herein by the undersigned shall in any manner be deemed to constitute a waiver of any rights granted to me under Federal or state securities laws.

9. Where the Investor is a corporation, partnership, limited liability company, or other similar entity, the undersigned hereby certifies that the Investor is duly organized and validly existing and in good standing under the laws of the state or jurisdiction of its organization as specified on the signature page hereto; and the purchase of the Notes is an authorized investment of the Investor under the laws applicable to it.

10. Where the Investor is a corporation, partnership, limited liability company, or other similar entity, the undersigned hereby certifies that the appropriate agents (officers and directors) of the Investor have taken all steps required to authorize the execution and delivery and performance of this Subscription Agreement, the person executing this Agreement on behalf of the Investor has been duly authorized to execute this Subscription Agreement, and this Subscription Agreement constitutes the valid obligation of the Investor, legally binding on it.

11. This Subscription Agreement and the Indenture constitute the entire agreement between the parties hereto with respect to the subject matter hereof. This Subscription Agreement may be amended or modified only by a writing executed by the party to be bound thereby. This Subscription Agreement may be executed in multiple counterparts, each of which shall constitute an original but all of which shall constitute but one and the same instrument. This Subscription Agreement may be executed and delivered by facsimile transmission, which will constitute the legal delivery hereof. This Subscription Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

12. Correspondence addressed to me should be sent to the address listed below until such time as I shall notify ClubCo, in writing, of a different address to which such correspondence and notices are to be sent.


13. I acknowledge that this Subscription Agreement is a subscription to purchase Notes in the aggregate amount set forth below.

**SIGNATURE PAGE
TO THE
SUBSCRIPTION AGREEMENT
THE CLIFFS CLUB & HOSPITALITY GROUP, INC.**

IN WITNESS WHEREOF, the Investor has executed this Subscription Agreement as of the date set forth below:

Signature: 
 Print Name: Jeffrey L. Clemens
 Title: _____

Date: 4/1/10

Signature: 
 Print Name: Kelly B. Clemens
 Title: _____

Date: 4/1/10

State of Residence or Incorporation:
South Carolina

Signature for Series B Investors Other Than Individuals:

 Signature of Authorized Signatory

 Print Name & Title of Authorized Signatory

	<u>Series</u>	<u>Return</u>	<u>Amount</u>
<input checked="" type="checkbox"/>	A	3.18%, plus Dues credit	\$ <u>100,000.00</u>
<input type="checkbox"/>	B	12%	\$ _____

Funds invested are from an IRA . (See Page A-6 for additional instructions)

IRA Account Name: _____

Funds invested are from a personal account. (See Page A-6 for additional instructions)

(If funds for Series B are from two different sources for each \$50,000 unit, please complete a separate form for each)

Accepted:
 THE CLIFFS CLUB & HOSPITALITY GROUP, INC.

By: _____
 Name: J. Scott Carlton, President

Date: _____

All documents and may be emailed to clubs@cliffscommunities.com, faxed to 864-371-1839 or mailed to: The Cliffs Club & Hospitality Group, Inc., PO Box 1279, 3598 Hwy 11, Travelers Rest, SC 29690. Funds may be mailed to the above address or wired directly to the following escrow account:

Wiring Instructions:

Wachovia Bank
Routing # Acct # Ending 4506
Account # XXXXXXXXXX 4506
Beneficiary Account title: The Cliffs Club & Hospitality Group, Inc.

If Personal Account

Complete this section if invested funds are from a personal, liquid account (i.e. checking, savings, money market, stocks, etc). Interest payments and statement will be sent to you at the address you provide below, unless you choose to have the funds wired and have indicated as such.

- I would like my interest payments to be wired to my financial institution. Attached hereto are the wiring instructions from my financial institution on letterhead and signed by a representative of the institution.

These wiring instructions include:

- Name as listed on my account
- Routing Number
- Account Number
- Financial Institution Contact Name
- Mailing Address and Phone Number
- Cliffs Member #

Please mail interest payments to the address I have provided below.

IRA Account

Complete this section if invested funds are from an IRA.

Interest payments and a copy of your statement will be sent to your IRA financial institution. A copy of your statement will also be sent to you at the address you provide below.

- Interest payments should be wired to my plan administrator. Attached hereto are the wiring instructions from my financial institution on letterhead and signed by a representative of the institution. These wiring instructions include:

- Bank/ Investment Account
- Name as listed on my account
- Type of Bank/Investment
- Routing Number
- Account Number
- Financial Institution Contact Name
- Mailing Address and Phone Number
- IRA Statement address
- Cliffs Member #

Contact Information / Statement and Interest Payments (if applicable) mailed to:

Contact:	Jeffrey L. Clemens		
Address:	1115 Panther Park Trail		
City:	Travelers Rest	State:	SC
		Zip Code:	29690
Email:	jeff.clemens@att.net	Phone Number:	864-836-6256
Member #:	Member ID	S.S.# or EIN:	JC SS#

FORM FOR \$5,000 DEPOSIT

(Use only if you are not funding at or before March 31, 2010.)

Upon the return of a subscription agreement, an investor may elect to either (i) fund his entire investment, or (ii) submit a \$5,000 deposit, in each case with funds to be held in escrow. However, your investment will not be considered for acceptance until your subscription agreement is complete, which requires the submission of your entire investment amount.

If we close the offering, we will accept fully funded and complete subscription agreements on a first come first served basis. We will then accept subscription agreements accompanied by \$5,000 deposits in the order they are received, provided such investor funds the balance of his subscription upon five days written notice by ClubCo, until we reach our aggregate subscription level. An investor who is unable to fund the balance of his subscription by the stated deadline will lose his place in line. Investors using "IRA funds" to fund their entire investment will be entitled to a refund of their \$5,000 deposit, if such deposit was submitted.

We reserve the right, in our sole discretion and as we deem appropriate, to make exceptions to our acceptance of subscription agreements. In addition, we reserve the right to accept or reject, in whole or in part, any subscription agreements, regardless of whether the subscription is fully funded or accompanied by a \$5,000 deposit.

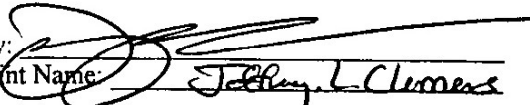
In the event we do not close the offering by May 30, 2010, investors that fully funded their subscriptions will be entitled to receive a full refund of their investment, plus the actual interest earned on such investment amount while held in escrow. In the event we do not close the offering by May 30, 2010, Investors that elected to submit a \$5,000 deposit, but had not yet funded the balance of their subscription, will be entitled to a full refund without interest.

If submitting a \$5,000 deposit, please complete the information below:

Reason for the \$5,000 deposit: Available funds till
4/30/10

Estimated Date of Receipt of Funds: 4/30/10

I acknowledge that I have read and understand the above information regarding my deposit.

By: 
Print Name: Jeffrey L. Clemens

APPENDIX B
INVESTOR QUESTIONNAIRE

*** ALL INFORMATION WILL BE TREATED CONFIDENTIALLY ***

INSTRUCTIONS: This Questionnaire is being furnished to you because you have indicated an interest in purchasing debt securities (the "Notes") of The Cliffs Club & Hospitality Group, Inc. ("ClubCo"). The purpose of this Questionnaire is to provide certain assurances to ClubCo that you will meet the standards or requirements for exemption from registration under the federal and applicable state securities laws.

If the answer to any question is "None" or "Not Applicable," please so state.

Your answers will at all times be kept confidential. However, by signing this Questionnaire, you agree that ClubCo may present this Questionnaire to such parties as it deems appropriate if called upon under law to establish the availability under the Securities Act of 1933 or any state securities law of an exemption from registration under such laws, or to establish compliance with other provisions of such laws or the Securities Exchange Act of 1934.

Please complete, sign, date, and return one copy of this Questionnaire to ClubCo.

1. Your Name: Jeffrey L. Clemens Telephone: 864-836-6256
Home Street: 115 Panther Park Trail City: Travelers Rest State: SC Zip: 29690
Business Name: N/A Telephone: _____
Street: _____ City: _____ State: _____ Zip: _____
Age: 49 U.S. Citizen: Yes No _____
College: Bob Jones University Degree: BS - Bus. Admin. Year: '86
Graduate School: _____ Degree: _____ Year: _____
Social Security Number: JC SS#
Spouse's Name (if co-purchaser): Kelly B. Clemens
Spouse's Social Security Number (if co-purchaser): KC SS#
Communications should be sent to [check one]:
_____ Business Address or
 Residence Address

B-1

2. (a) Do you maintain a house or apartment for your own use, other than as a vacation home, in any state other than the state indicated in Item 1, above?

Yes X No _____

(b) Are you registered to vote in any state other than the state indicated in Item 1, above?

Yes _____ No X

3. (a) Do you have adequate means for providing for your current needs and personal contingencies and have no need for liquidity in this investment?

Yes X No _____

(b) Are you aware that the proposed issuance of the Notes will involve non-marketable, nontransferable securities?

Yes X No _____

(c) Are you aware that ClubCo is an early stage enterprise which has not yet conducted any material amount of business or earned any material amount of revenues?

Yes X No _____

(d) Can you afford the complete loss of your investment in the Notes?

Yes X No _____

4. Will you be purchasing the Notes for investment purposes only and not with a view to distribution?

Yes X No _____

5. Will you be acting for your own account?

Yes X No _____

If not, please indicate for whom you are acting and attach evidence of your authority to act for such other person and entity.

6. Within the past five years, have you personally invested in securities sold by means of private placements?

Yes _____ No X

7. Describe generally the types of investments in which you have previously participated, including stocks and bonds, tax exempt securities, options, private placements, commodities, futures, franchise operations, health care companies, initial public offerings and other investments:

Stocks & Real Estate Investing & Developing

8. Are you capable of evaluating the risks and merits of this investment in the Notes by virtue of your experience as an investor and your knowledge, experience and sophistication in financial and business matters:

Yes X No _____

I am aware and understand that the information provided herein will be relied upon by ClubCo and its representatives in determining whether I otherwise meet the suitability requirements necessary for purchase of the units, and, therefore, I represent and warrant that, to the best of my information and belief, the above information supplied by me is true and correct in all respects as of the date hereof, and I undertake the obligation to notify ClubCo of any material change in the information presented herein that occurs prior to the acceptance of my Subscription.

Signed,

Date: 4/11/10



Purchaser



Co-Purchaser (if any)

JEFFREY L CLEMENS
KELLY B CLEMENS
 1115 PANTHER PARK TRAIL
 TRAVELERS REST, SC 29680

1191
 67-8017532

Date 4/1/10

Pay to the Order of The Cliffs Club of Hospitality, Inc. \$ 5100.00
Fifty one Hundred and 00/100 Dollars

Greenville
FIRST
 Greenville, SC
 For Dep of Sec for Lot #8 PMO
 Acct # Ending 2968 296811

Charter Checking

GUARDIAN SAFETY YELLOW

- * \$5,000 - Dep - of secures Lot #19 - 1115 Panther Park Trail Golf Membership.
- * \$100. - Secure Lot #8 - Golf Membership. ("A")

JEFFREY L CLEMENS
KELLY B CLEMENS
1115 PANTHER PARK TRAIL
TRAVELERS REST, SC 29690

1207

5/5/10

67-8017532

Pay to the Order of The Cliffs Clinical Hospital Group \$ 95,000.00
Ninety Five Thousand 00/100 Dollars

Greenville
FIRST
Greenville, SC

FIRST

Charter Checking

For Pay of Dividend

Acct # Ending 2968

2968



1207

GUARANTEE SAFETY YELLOW

1 STATE OF SOUTH CAROLINA) IN THE COURT OF
 2) COMMON PLEAS
 3 COUNTY OF GREENVILLE) OF THE THIRTEENTH
 4) JUDICIAL CIRCUIT
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SYNOVUS BANK,
 Petitioner,
 vs.
 JEFFREY L. CLEMENS,
 Respondent,

TRANSCRIPT OF RECORD
 2019-CP-23-00367

December 12, 2024
 Greenville, SC

B E F O R E :

HONORABLE CHARLES B. SIMMONS, JR., Judge.

A P P E A R A N C E S

MARY CASKEY, ESQUIRE
 For Plaintiff
 JAMES CARPENTER, ESQUIRE
 For Defendant

Julie A. Cendroski,
 Master in Equity Court Reporter
 Thirteenth Judicial Circuit

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SYNOVUS BANK VERSUS JEFFREY CLEMENS

THE COURT: This is 2019-367, the matter of Synovus versus Clemens. Case is referred. The matter is here today on supplemental proceedings arising out of a judgment. The matter was previously set for November 21st, and at the Defendant's request through his very fine lawyer, the matter was rescheduled until today. So if I could have both attorneys identify yourselves and who you're here on behalf of today, just for the record.

MS. CASKEY: Certainly, Your Honor. Mary Caskey here on behalf of Synovus Bank.

MR. CARPENTER: James Carpenter here for the Defendant.

THE COURT: All right. And I will note, it is 10 after -- well, 12 after 10. The matter was set for 10. And, Mr. Carpenter, I understand your client is not present?

MR. CARPENTER: That's true, Your Honor.

THE COURT: Okay. And have you heard from your client as far as any viable reason that he's not here?

MR. CARPENTER: I have not. I -- I have not.

THE COURT: Okay. All right. Ms. Caskey.

MS. CASKEY: Thank you, Your Honor. This is a case that supplemental proceedings have been before you approximately three years ago in December of 2021. At

1 that time you issued a charging order against various
2 LLC's and other companies that the Defendant had an
3 interest in. That order was entered on December 2nd,
4 2021. And by the terms of the order it did expire on
5 December 20 -- December 2nd, 2022.

6 We are now seeking an additional charging order,
7 based on the Defendant's current interest in various
8 LLC's. And I also wanted, through the scope of renewing
9 the supplemental proceeding, that the Defendant did not
10 comply with your charging order. I was not aware of
11 that at the time. He did send to me two checks, one in
12 September '22 and one in January 2023 that totaled
13 approximately \$4500.

14 I had made the assumption, based on his testimony
15 and what I'd seen before that those were the only
16 distributions that got made. And to be specific, Your
17 Honor, the transfers that he sent to me were from CFC
18 Dividend, which I believe is the Clemens' family
19 declaration. And the check also said ITESPE, which is a
20 different entity. He did a personal check that he wrote
21 to me or wrote to my firm. He did not send me the
22 actual distribution. And the companies, who were all
23 served with these orders, have never sent a check
24 directly to Synovus. The second check was for 2354 and
25 it was for another entity called ABCD Treats K1, and

1 then it said ITSPE. No other amounts were ever
2 received.

3 I received Mr. Clemens' tax returns from Mr.
4 Carpenter as part of this discovery and Rule to Show
5 Cause and they indicate that distributions were made
6 after the charging order was entered. The Clemens
7 family corporation being the most significant, appears
8 to have made approximately \$53,000 worth of
9 distributions -- oh, I'm sorry, 56,791. I got it now.
10 And then there are other, other handful of distributions
11 that were made, including one from the Cliffs
12 bankruptcy. He gets those payments. I spoke with the
13 trustee last week in the Cliffs case and he confirms
14 that those distributions have been sent. They get sent
15 in November or December of every year. So the one in
16 2021 wouldn't have been subject to your charging order.
17 The one in 2022 would. The one in 2023 would, and that
18 he just made one this week. And so I'm asking that that
19 be turned over as part of your ruling today, and in
20 addition for the Defendant to show cause as to why the
21 \$56,000 from the Clemens Family Corporation wasn't paid
22 pursuant to the charging order.

23 In addition to that, Your Honor, we've identified
24 a number of other entities that I think the Defendant
25 has an interest in and I would be seeking a charging

1 order with respect to that. Although it's a little bit
2 difficult to do without the Defendant here to testify
3 about those interests. And so I would also ask that the
4 Court direct the Defendant to produce supplemental
5 documents. And I can list those whenever your court --
6 whenever the judge -- whenever you would like, excuse
7 me. I don't know if you want to hear from the Defendant
8 or how you want to proceed.

9 THE COURT: Well, before I hear from Mr.
10 Carpenter, the original judgment was around 400,000; is
11 that correct?

12 MS. CASKEY: Yes, Your Honor. I have the balance
13 calculated at \$658,485.21. That's as of today.

14 THE COURT: All right. And is that the, the
15 original judgment amount then, plus interest?

16 MS. CASKEY: Yes, Your Honor. The original
17 principal was 395,000, to your recollection, and then
18 the interest is \$267,000 and then they've made \$4500 for
19 the payment.

20 THE COURT: All right. And those are the only
21 payments received?

22 MS. CASKEY: Yes, Your Honor.

23 THE COURT: All right. Mr. Carpenter, let me
24 hear from you as far as the charging order and, and what
25 the next step is.

1 MR. CARPENTER: Your Honor, I don't have a lot to
2 say. The Plaintiff sent some, what seemed to be,
3 interrogatories and request for production of documents.
4 They're not called that, but in the Rule to Show Cause.
5 My client provided me answers, which I provided to the
6 Plaintiff. And we submitted copies of tax returns for
7 '21, '22, and '23. We submitted copies of bank
8 statements for eight or nine months, the most recent
9 eight or nine months.

10 We answered a lot of questions with the answer
11 none. As far as I know those answers were true.
12 Opposing counsel raises questions about some of them. I
13 don't have any personal knowledge about the facts of the
14 case. I have limited contact with my client.

15 THE COURT: All right. Then, Ms. Caskey, if
16 you'll go ahead and just read -- well, how many other
17 entities are there?

18 MS. CASKEY: In addition to the ones that you
19 already identified in your prior charging order, I
20 identified, it looks like, maybe about \$60,000 was
21 distributed to him in 2022 and 2023 from an entity
22 called Christian Home Care Ministries, Inc. These look
23 to me -- I don't know what these are for, but the title
24 is Member Sharing. And there are checks to him in
25 varying amounts. It looks to me that that's likely an

1 entity that is paying him.

2 And then all the other entities are ones that
3 were in your prior --

4 THE COURT: All right.

5 MS. CASKEY: -- order. They just haven't been
6 complied with. And then, Your Honor, with respect to
7 the documents that were requested, you know, I do have
8 nine months of bank statements. I don't have the past
9 three years, which is obviously relevant to the charging
10 order issued. I also know there's a bank account in
11 Pennsylvania, because he's testified that he has one.
12 And he's got three different properties or four
13 different properties in Pennsylvania that are all paying
14 rental income into that bank account. I don't have
15 that.

16 There's no utilities, no, no normal stuff of life
17 coming out of this bank account, so that also tells me
18 there might be another one.

19 THE COURT: All right. Would you prefer that Mr.
20 Clemens be required to sit for basically a discovery
21 deposition?

22 MS. CASKEY: Yes, Your Honor. And normally I
23 would have done that before the supplemental proceedings
24 and notwithstanding Mr. Carpenter's certainly been
25 cooperative, I think, since he was re-engaged, but there

1 was some prior -- I had some concern about Mr. Clemens
2 willingness to cooperate in the discovery process, which
3 is why I went to the Rule to Show Cause phase first, but
4 I'd be more than happy to have that deposition occur.

5 THE COURT: All right. I'm gonna direct that to
6 be done.

7 MS. CASKEY: Okay.

8 THE COURT: If he doesn't appear, then I will
9 deem that as Contempt of Court and the sheriff will
10 forceably bring him to the courthouse to be deposed.

11 MS. CASKEY: May I prepare an order for today
12 that itemizes the documents that are missing and set up
13 the deposition? Does that suit Your Honor?

14 THE COURT: Absolutely.

15 MS. CASKEY: And then a supplemental proceeding
16 after that?

17 THE COURT: Certainly. And then if you will file
18 -- we can proceed one of two routes with the attorney's
19 fees and costs relative to today. I'm fine if you're in
20 a position to testify what your fees and costs are,
21 adding it to this order, or if you would rather address
22 that at the later hearing that we're gonna have. I'll
23 leave it up to you.

24 MS. CASKEY: I'll go ahead and address it today,
25 just solely for travel really to today's hearing. The

1 total attorney's fees was \$1,620, which is \$450 an hour
2 times 1.8 both ways to Columbia, and then an additional
3 \$128.64 for mileage, which is the IRS rate of \$64.32
4 times two.

5 THE COURT: All right. If you'll just add all
6 that in the order and, of course, send it to Mr.
7 Carpenter, as I know you'll do that, at the same time
8 you send it to my court reporter. And then if you and
9 Mr. Carpenter will coordinate as far as the date of the
10 deposition. I'd like that to be in the order, date,
11 time, and location. I'm fine if it's done via Zoom, to
12 try to hold down on travel time and expenses, or it may
13 very well be that you need to be in person. And I'm
14 fine if it's done either in Greenville or by consent it
15 could be done in Columbia.

16 MS. CASKEY: No problem, Your Honor.

17 THE COURT: So is there anything else we need on
18 the record at this point?

19 MS. CASKEY: The only -- well, I'm concerned -- I
20 think it's gonna take a little time to get this
21 scheduled, and I would, I would ask that the Court go
22 ahead and extend its prior charging order for 60 days,
23 because I think that there's a lot of distributions that
24 are gonna come in.

25 THE COURT: Yeah, I have no problem doing it for

1 90 days.

2 MS. CASKEY: 90 days from today's date?

3 THE COURT: Yes, ma'am.

4 MS. CASKEY: Okay, thank you.

5 THE COURT: All right. And note in there that if
6 there are any violations of the charging order or any
7 other terms of the order, then it may very well result
8 in contempt, including and punishable by either
9 sanctions and/or jail time.

10 MS. CASKEY: Thank you, Your Honor.

11 THE COURT: All right, Mr. Carpenter. And I know
12 you're in a difficult position, but anything else to
13 have on the record, sir?

14 MR. CARPENTER: I don't think so, Your Honor.

15 THE COURT: Okay. All right. Thank you all both
16 for coming in.

17 MS. CASKEY: Thank you, Judge.

18 THE COURT: And, Ms. Caskey, just be sure and
19 e-mail my court reporter. She'll give you a business
20 card with her address --

21 MS. CASKEY: Yes.

22 THE COURT: -- e-mail address if you don't have
23 it.

24 MS. CASKEY: I think I've got it though.

25 THE COURT: Okay. Thank you both.

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MS. CASKEY: Thank you.

(Hearing concluded at 10:21 a.m.)

--- THIS ENDS TRANSCRIPT OF RECORD ---

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COURT REPORTER CERTIFICATE

I, the undersigned Julie A. Cendroski, Court Reporter for the Thirteenth Judicial Master In Equity Court of the State of South Carolina, do hereby certify that to the best of my ability the foregoing is a true, accurate, and complete transcript of record of all the proceedings and evidence introduced in the hearing and/or trial of the captioned case, relative to appeal, in the Court of Common Pleas for Greenville County, South Carolina, on the 12th day of December, 2024.

I do further certify that I am neither of kin, counsel, nor interest to any party hereto.

s/Julie A Cendroski
Julie A. Cendroski
Circuit Court Reporter III
Seventh Judicial Circuit

1 STATE OF SOUTH CAROLINA) IN THE COURT OF
 2) COMMON PLEAS
 3 COUNTY OF GREENVILLE) OF THE THIRTEENTH
 4) JUDICIAL CIRCUIT
 5)
 6 SYNOVUS BANK,)
 7)
 8 Plaintiff,) TRANSCRIPT OF RECORD
 9) 2019-CP-23-00367
 10 VS.)
 11)
 12 JEFFREY L. CLEMENS,)
 13)
 14 Defendants.)

15 -----
 16 March 4, 2025
 17 Greenville, SC

18 B E F O R E:
 19 HONORABLE CHARLES B. SIMMONS, JR., Judge.

20 A P P E A R A N C E S

21 MARY M. CASKEY, ESQUIRE
 22 For Plaintiff
 23 JAMES G. CARPENTER, ESQUIRE
 24 For Defendant

25 Julie A. Cendroski,
 Master in Equity Court Reporter
 Thirteenth Judicial Circuit

1 UNITED COMMUNITY BANK VS. JEFFREY L. CLEMENS

2 THE COURT: Let's go ahead and go on the record.
3 This is 2019-367, United Community Bank versus Clemens.
4 And the two issues here today, from what I understand
5 is, one, is a continuation or examination of assets.
6 And then also, Defendant's Motion to Quash was
7 subpoenaed to Southern First; is that correct?

8 MR. CARPENTER: Your Honor, going back to what
9 you said a moment ago, not to be overly picky but we did
10 not receive an offer. We received an invitation for us
11 to make an offer to her and we didn't do that.

12 THE COURT: All right.

13 MS. CASKEY: Your Honor, before we go off the
14 record or take a minute, that's inaccurate.

15 THE COURT: All right.

16 MS. CASKEY: I made a -- but in any event ---

17 THE COURT: Do you just want to take some
18 testimony from Mr. Clemens?

19 MS. CASKEY: I actually don't need any testimony,
20 Your Honor. We did a deposition of Mr. Clemens. If I
21 could give the Court, if you don't mind, an overview of
22 what we're requesting today, I think that will help
23 expedite.

24 THE COURT: All right.

25 MS. CASKEY: This is a second supplemental

1 proceedings in this action. In the prior proceedings
2 there was a Charging Order that you had entered against
3 another of entities. So one of the first things we're
4 asking for is for that Charging Order to be reinstated.

5 At the last hearing in December, Mr. Clemens did
6 not appear, but you went ahead and extended the Charging
7 Order. I think it expires next week. And so one of the
8 things we're asking is that that Charging Order go ahead
9 and be reinstated or extended, I'm requesting through
10 the end of the judgment expiration which would be June
11 6th of 2019. I realize that's four years, but ---

12 THE COURT: You're talking about 2029?

13 MS. CASKEY: 2029. I don't know where that
14 number came from. 2029. But, you know, what happened
15 in this case was the Charging Order was in place for two
16 years and then we, a couple months after it expired,
17 went ahead and reinstated supplemental. It took months
18 to get back in the court, not due to this Court's
19 docket, but due to getting the nulle bona back.

20 There was a verified petition, the Defendant
21 requested a continuance, and so it took between May and
22 December to get back before you to have that extended.
23 So, for that reason the first request is to go ahead and
24 extend the Charging Order. I did ask for the consent of
25 the Defendant to that, because I don't think there's a

1 defense, but I did not hear back.

2 The second issue is I had concerns, based on my
3 review of the subpoenaed bank records, that there had
4 been a violation of your prior discharge order. And
5 that was based upon the fact that there were checks
6 deposited from some of the corporations and entities
7 that the Charging Order had been served on.

8 After taking Mr. Clemens deposition, it does look
9 like there was only, at least to the best of my
10 understanding, one check that he received that he failed
11 to turn over pursuant to the Charging Order for a total
12 of \$1,336.91. So we would request that Mr. Clemens be
13 directed to pay that amount immediately given that it
14 was, in fact, owed pursuant to the prior Charging Order.

15 I have a copy of Mr. Clemens deposition if he
16 contests that, but I don't believe he does. He even
17 admitted in his deposition that he knew that he was
18 supposed to turn the money over to Synovus if he
19 received it from one of those entities. And, in fact,
20 three months before he got that payment, he turned over
21 two other payments to Synovus.

22 I know it's a small amount, but I think it goes
23 to the overall attitude of Mr. Clemens towards this
24 Court, which includes the fact that he failed to appear
25 at the December hearing. He was ordered to pay

1 sanctions in the amount of \$1,748.64. He has declined
2 to pay that, despite numerous reminders.

3 And when asked, his attorney did, after the
4 hearing, did follow up as to why he failed to appear and
5 his attorney said there was a miscommunication about the
6 hearing date. Mr. Clemens then did testify in his
7 deposition that he was on vacation in South Africa
8 during that hearing. Again, relatively small amount of
9 \$3,085.55, but I would request that the Court order that
10 paid immediately given that it's a violation of two
11 orders of this Court.

12 The next issue is that this case, the verified
13 petition was filed in May. You issued a Rule To Show
14 Cause in September. Part of that Rule To Show Cause was
15 that Mr. Clemens was directed not to transfer any money.
16 He has testified that he received a little over -- he
17 hasn't specified the amount, nor has he provided the
18 documents to show what it was, but one of the entities
19 that was subject to the Charging Order paid him a little
20 over \$9,000.

21 Now, I acknowledge that the Charging Order had
22 expired at the time that that payment was made, but
23 there was an active supplemental proceeding before you,
24 he had been ordered not to make any transfers.

25 He had requested a continuance of the Rule To

1 show Cause hearing in November, got the check in
2 December, cashed it and said it's not there. So I would
3 request that you also order in addition to that
4 \$3,085.00, a payment of that amount. For the sake of
5 just keeping it simple, we would request that \$9,000 be
6 turned over.

7 So, Your Honor, the total relief requested today
8 is an extension of the Charging Order, payment of
9 \$12,085.55 due within I would say, I would request
10 within 10 days.

11 And then, Your Honor, with respect to the Motion
12 to Compel, I wasn't aware that was noticed for today,
13 but ---

14 THE COURT: It may not have been. I was just
15 going through the files this morning, as I always do
16 prior to a hearing, and saw that it was filed February
17 21st. Don't know if it's been docketed or not.

18 MS. CASKEY: And I think you -- the attorney for
19 Southern First also reached out to me. I believe that
20 motion was filed by Mr. Clemens.

21 THE COURT: Mr. Carpenter.

22 MS. CASKEY: Yeah, I'm sorry, Mr. Carpenter on
23 behalf of Mr. Clemens. I'm working with Southern First
24 to see whether we can resolve that motion. I don't -- I
25 would request that we not hear that today and I can

1 advise the Court within ten days of the hearing today as
2 to whether that motion has been resolved.

3 THE COURT: All right.

4 All right, Mr. Carpenter, let me start with
5 first, has Mr. Clemens paid the court ordered fees from
6 the last court order?

7 MR. CARPENTER: I believe not.

8 THE COURT: Okay. Then he is now in contempt of
9 court and he's looking at jail. So now let's move into
10 the Charging Order. Let me hear your argument on the
11 Charging Order.

12 MR. CARPENTER: Well, Your Honor, the prior one
13 was for a period of two years, which we think should be
14 sufficient. I think opposing counsel is upset because
15 after the Charging Order expired, some money came in,
16 which Mr. Clemens did not turn over because the Charging
17 Order had expired. So we think two years on the
18 Charging Order is sufficient and we'd ask the Court deny
19 it.

20 THE COURT: Well, but what do we do with the fact
21 that, I guess, the best case scenario is at least a
22 \$1300 check that was negotiated during the Charging
23 Order time, that was not turned over to Synovus?
24 Doesn't that kind of mitigate against Mr. Clemens
25 position?

1 MR. CARPENTER: Excuse me, can I have a couple of
2 minutes with my client, Your Honor?

3 THE COURT: Sure.

4 (Off the record discussion occurred.)

5 MR. CARPENTER: Your Honor, Mr. Clemens is
6 prepared to pay the \$1300 dollar figure and the \$1700
7 figure. He can do that today.

8 THE COURT: Why hadn't it -- on the attorneys'
9 fees, why hadn't it been done by now? Is it kind of
10 poking the bear to see if this Court is really gonna
11 enforce the order?

12 MR. CARPENTER: I think not, Your Honor. I think
13 it's ---

14 THE COURT: I'm troubled by that.

15 MR. CARPENTER: I don't have a good answer, Your
16 Honor, but he's prepared to pay it today.

17 THE COURT: All right. Talk with me on the
18 \$9,000 amount that counsel for Clemens [sic] just
19 referenced.

20 MR. CARPENTER: Two things on that, Your Honor.
21 We believed that the Charging Order had expired when
22 those funds came in. Two, those funds represent
23 repayment of a loan, which are joint funds between him
24 and his wife, who is not subject to the Charging Order.

25 THE COURT: All right. Let me hear the

1 Plaintiff's position. First, was a Charging Order in
2 effect at the time the \$9,000 came through?

3 MS. CASKEY: No, Your Honor. No, it absolutely
4 was not. It did expire in December the prior year.
5 What was in effect ---

6 THE COURT: Well, how does the Court have
7 authority of jurisdiction over that \$9,000?

8 MS. CASKEY: Your Honor, you have jurisdiction
9 over it because you issued a Rule To Show Cause
10 directing him not to make the transfer. So I'm not
11 relying on the Charging Order for that. I'm relying on
12 the fact that you issued a Rule To Show Cause in
13 September that it expressly directed him not to make any
14 transfers.

15 This is the first I'm hearing that this is
16 repayment of a loan. This is a bankruptcy related claim
17 that Mr. Clemens has previously testified was owed to
18 him. It is the subject of not one, but two of your
19 prior Charging Orders. So I don't think there's any
20 defense that the money was due and owing to Mr. Clemens
21 at the time.

22 And, Your Honor, I would also note that since
23 your Charging Order was entered in December, we have
24 received an additional payment from one of the entities.
25 So the Charging Order is working when it is in effect.

1 I acknowledge the one-year gap, but that's not the
2 argument that we're making here today about that \$9,000.
3 We're making the argument that the Rule To Show Cause
4 forbidden him from making a transfer of it.

5 THE COURT: Which order are you referring to?

6 MS. CASKEY: The Rule To Show Cause that was
7 entered in September of 2024. It was entered on
8 September 18th. The very last page of the order states
9 that it is ordered the Defendant is restricted from
10 transferring any assets out of the ordinary course of
11 business until otherwise ordered by this Court. That
12 payment did not represent a commission. It doesn't
13 represent a wage.

14 THE COURT: I'm sorry, I'm still trying to find
15 it.

16 MS. CASKEY: Oh, I'm sorry, Your Honor.

17 THE COURT: It was filed?

18 MS. CASKEY: September 18th.

19 THE COURT: I'm sorry, the way the clerk's office
20 is pulled up I'm not able...

21 MS. CASKEY: I have an extra copy, if that would
22 be helpful.

23 THE COURT: Okay. I'm sorry, I was just finding
24 the file.

25 MS. CASKEY: Okay, perfect.

1 THE COURT: We'll have to review the error, which
2 has been known to happen.

3 Mr. Carpenter, let me hear your argument on the
4 applicability and the enforceability of the order issued
5 September 18, 2024. And it does, towards the end,
6 reference the Defendant is hereby placed on actual
7 notice of the service. Well, I'm sorry, go ahead.

8 MR. CARPENTER: Your Honor, I don't have that
9 order in front of me, so I'm gonna have a hard time
10 commenting on it.

11 THE COURT: Can you provide that to Mr.
12 Carpenter?

13 MS. CASKEY: Yes, Your Honor.

14 MR. CARPENTER: And what page is the Court on?

15 THE COURT: What specific language is Plaintiff
16 relying on?

17 MS. CASKEY: Thank you, Your Honor. It's the
18 third to left paragraph before the bolded, second from
19 the top: And it is further ordered that the Defendant
20 is restricted from transferring any assets outside the
21 ordinary course of business.

22 I will note that this order was filed on
23 September 18th for a hearing that was supposed to occur
24 on November 21st. Defendant requested a continuance of
25 that hearing and a check came in between the original

1 hearing date and the continued hearing date that he did
2 not appear at.

3 THE COURT: Do you have a copy of the check?

4 MS. CASKEY: No, Your Honor. He has refused to
5 provide his bank records from December of 2024, which is
6 another issue I'm not wanting to waste the Court's time
7 with, but it has taken months to get a basic compliance
8 with a court order. This includes I just got documents
9 last week that have been requested for months.

10 THE COURT: Mr. Carpenter, are you familiar with
11 -- or if the check was made out to Mr. Clemens only,
12 then, yeah, he's got to turn that \$9,000 over.

13 (Off the record discussion.)

14 MR. CARPENTER: He thinks it was made out to him.
15 It was a loan repayment. He made a loan -- the two of
16 them made a loan years and years ago to the Cliffs back
17 when the cliffs were going through the -- they were
18 trying to help keep the Cliffs afloat. And the two of
19 them made a loan, which was -- this represents, I
20 believe, a partial repayment of that loan that was years
21 and years ago. And we would suggest that for that
22 reason it was joint funds and it wasn't subject to the
23 Court's order.

24 THE COURT: But the check was apparently issued
25 only to your client?

1 (Off the record discussion occurred.)

2 MR. CARPENTER: We believe so. I haven't seen
3 it. I don't remember it.

4 THE COURT: Does it note repayment of loan? Does
5 it note payable to Mr. Clemens and his wife?

6 MR. CARPENTER: We're trying to find a copy of
7 it, Judge. We're trying to go through e-mails and find
8 it.

9 THE COURT: And I don't mean to, I don't mean to
10 catch you cold, Mr. Carpenter. Here's what I'm gonna
11 do. At this point I'm gonna take the \$9,000 issue under
12 advisement. I don't want to put Mr. Clemens in jail.
13 It's not gonna benefit anybody, but at the same time I
14 have significant concern when any court says you didn't
15 appear, you've gotta pay X and then you come back and
16 say, well, you know, I wonder if he really meant that.
17 Well, yeah, he really did mean that.

18 So he's got 24 hours to pay everything except the
19 \$9,000. If he doesn't pay it, then at that point the
20 Greenville County Sheriff's office is gonna pick him up.
21 I'm done with this.

22 Mr. Clemens, you've gotta understand, sir, this
23 is a court. It's not your play toy on either side. You
24 either do what the Court says or you go to jail. It
25 ain't complicated, okay?

1 MR. CLEMENS: Yes, sir.

2 THE COURT: Thank you. And if you'll prepare an
3 order.

4 MS. CASKEY: Thank you, Your Honor.

5 (Hearing concluded at.

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8 --- THIS ENDS TRANSCRIPT OF RECORD ---

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COURT REPORTER CERTIFICATE

I, the undersigned Julie A. Cendroski, Court Reporter for the Thirteenth Judicial Master In Equity Court of the State of South Carolina, do hereby certify that to the best of my ability the foregoing is a true, accurate, and complete transcript of record of all the proceedings and evidence introduced in the hearing and/or trial of the captioned case, relative to appeal, in the Court of Common Pleas for Greenville County, South Carolina, on the 4th day of March, 2025. I do further certify that I am neither of kin, counsel, nor interest to any party hereto.

Julie A Cendroski

S/O Julie A. Cendroski
Julie A. Cendroski
Master In Equity Greenville County

