

McCULLOUGH • KHAN, LLC
ATTORNEYS AT LAW

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March 17, 2015

VIA U.S. MAIL

Jenny Abbott Kitchings
Clerk of Court
South Carolina Court of Appeals
P.O. Box 11629
Columbia, SC 29211

RECEIVED
MAR 19 2015
SC Court of Appeals

Re: *Emerald Investments, LLC v. Ashley River Properties II, LLC et al.*
Appellate Case No.: 2013-002109
Our File No.: 1051.001
Notice of Chapter 11 Trustee Appointment

Dear Ms. Kitchings:

I hope this letter finds you well. My firm represents Emerald Investments, LLC (“Emerald”) in the above-captioned appeal. My understanding is that this appeal will soon be scheduled for oral argument. However, due to Emerald’s recent bankruptcy filing in New York, the case should be put on hold until further notice. For that reason, I am respectfully requesting that the appeal be stayed and not scheduled for oral argument.

Yesterday I learned that a Chapter 11 trustee will soon be appointed to oversee Emerald’s bankruptcy pending in the United States Bankruptcy Court for the Southern District of New York. I have attached a copy of the Chapter 11 Trustee Order for the Court’s file.

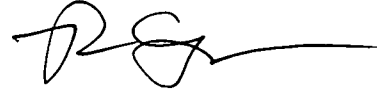
Given the appointment of the trustee, I do not believe our firm has the authority to prosecute this appeal at this time. This is particularly noteworthy given my client’s recently expressed desire to dismiss the appeal pursuant to Rule 260, SCACR. Frankly, I do not believe we have the authority to move for such relief without first informing and obtaining approval by the trustee. In the coming weeks and months, we plan to work closely with the trustee on how to proceed.

We will keep the Court of Appeals updated of all relevant developments regarding the bankruptcy. In the meantime, however, I think it makes the most sense to stay the appeal until further notice. If the Court could please provide written confirmation on how it wishes to proceed in this matter given the aforementioned bankruptcy developments, that would be most appreciated and allow all parties to this appeal to be on the same page.

Please feel free to contact me should you have any questions or concerns. Thank you in advance for your assistance in this matter.

Sincerely,

McCULLOUGH KHAN, LLC

A handwritten signature in black ink, appearing to read 'RS' followed by a long horizontal line.

Ross A. Appel

Enclosures (as stated)

cc: John Hawk, Esq.
William Cleveland, Esq.
Randolph White, Esq. (via e-mail only)
David Wolnerman, Esq. (via e-mail only)
Stu Longman (via e-mail only)

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

RECEIVED

MAR 19 2015

-----X
In re:

Chapter 11

SC Court of Appeals

ASHLEY RIVER CONSULTING, LLC,

Case No. 14-13406 (MG)

Debtor.

-----X
In re:

Chapter 11

EMERALD INVESTMENTS, LLC,

Case No. 14-13407 (MG)

Debtor.

-----X

ORDER DIRECTING THE APPOINTMENT OF A CHAPTER 11 TRUSTEE

Pending before the Court is the Office of the United States Trustee’s consolidated motion pursuant to Bankruptcy Code section 1104(a)(2) for the entry of an order directing the appointment of a chapter 11 trustee (the “Motion,” Case No. 14-13406, ECF Doc. # 20; Case No. 14-13407, ECF Doc. # 38) in each of the above-captioned chapter 11 proceedings. Ashley River Consulting, LLC (“ARC”) and Emerald Investments, LLC (“Emerald,” and together with ARC, the “Debtors”) filed an opposition (Case No. 14-13406, ECF Doc. # 23; Case No. 14-13407, ECF Doc. # 43), supported by the declaration of the Debtors’ principal, Stuart Longman (Case No. 14-13406, ECF Doc. #23-1; Case No. 14-13407, ECF Doc. # 43-1). Creditors of Emerald, Kriti Ripley, LLC and Ashley River Properties II, LLC filed a statement in support of the Motion (Case No. 14-13407, ECF Doc. # 41), supported by the declaration of Davidson Williams (Case No. 14-13407, ECF Doc. # 42). The Court held a hearing on the Motion on March 16, 2015 (the “Hearing”). At the Hearing, the United States Trustee amended its motion to seek the appointment of a chapter 11 trustee pursuant to both subsection (a)(2) and subsection (a)(1) of section 1104 of the Bankruptcy Code.

As set forth more fully on the record, it is hereby

ORDERED that the Motion is **GRANTED** pursuant to both sections 1104(a)(1) and 1104(a)(2) of the Bankruptcy Code; a more detailed opinion and order explaining the Court's reasoning in granting the Motion will follow in due course; and it is further

ORDERED that the United States Trustee is directed to appoint a Chapter 11 trustee, with all of the rights, powers, and duties authorized under 11 U.S.C. §§ 1104 and 1106.

IT IS SO ORDERED.

Dated: March 16, 2015
New York, New York

/s/Martin Glenn
MARTIN GLENN
United States Bankruptcy Judge

THE STATE OF SOUTH CAROLINA
In the Supreme Court

APPEAL FROM CHARLESTON COUNTY
Court of Common Pleas

RECEIVED

MAR 19 2015

Deadra L. Jefferson, Circuit Court Judge

SC Court of Appeals

Case No. 2009-CP-10-0553

Emerald Investments, LLC.....Appellant

v.

Ashley River Properties II, LLC; and Kriti Ripley, LLC.....Respondents

PROOF OF SERVICE

I, the undersigned Paralegal of the law firm of McCullough Khan, LLC, attorneys for Appellant, do hereby certify that I have served all counsel in this action with a copy of the **Letter to the South Carolina Court of Appeals Clerk regarding Emerald's recent bankruptcy filing, dated March 17, 2015**, by mailing a copy of same by United States Mail, postage prepaid, to the following addresses:

John C. Hawk, Esq.
Womble Carlyle Sandridge & Rice, LLC
5 Exchange Street
Charleston, SC 29401

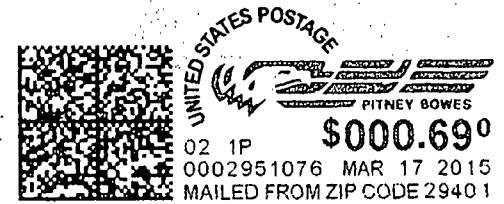


Alicia M. Benton
Paralegal

March 17, 2014

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ATTORNEYS AT LAW

359 KING STREET, SUITE 200 • CHARLESTON, SC 29401



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