

UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

GLOBAL ONLINE DIRECT, INC.,  
BRYANT E. BEHRMANN and LARRY  
"BUCK" E. HUNTER,

Defendants.

Civil Action No. 1:07-CV-0767-WSD

**DECLARATION OF MICHAEL A. GRASSMUECK IN SUPPORT OF MOTION  
FOR ORDER AUTHORIZING AUCTION OF CERTAIN ASSETS (MOBILE  
HOME AND LOT LOCATED AT 570 E. BIRCH STREET, UNION, OREGON)  
FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES  
AND OTHER RELATED RELIEF**

I, Michael A. Grassmueck, declare:

1. I am the duly appointed receiver (the "Receiver") for Global Online Direct, Inc. ("Global") and its subsidiaries Global Online Depository, Global Online SPIP, Global Online Auction Stores, Triple Diamond B, Bodaga Bay, Bodaga Bay Trucking, Inc., Catherine Crick Riders, Double B Broadcasting, Inc., The AM Show, Double B MPG, Global Online Direct, U Loan We Pay, and Bargain Hunter, Inc., and their subsidiaries and affiliates and any entities controlled by them (collectively referred to as the "Receivership Entities").

2. I submit this declaration (the "Declaration") in support of the motion for authorization to conduct an auction of certain assets of the Receivership Entities (Mobile Home and Lot Located at 570 E. Birch Street, Union, Oregon) (collectively, the "Assets") and for other related relief (the "Motion"). I have personal knowledge of the facts stated

in this Declaration as to which I could and would personally and competently testify if called upon to do so.

3. By this Motion, I request that the Court authorize the Auction<sup>1</sup> of the Assets of the Receivership Entities. Throughout my appointment, the Receivership Estate has marshaled numerous assets of the Receivership Estate, mostly consisting of real property assets, and has liquidated a significant number of assets of the Receivership Estate for the benefit of investors and creditors. The Receivership Estate has also successfully clawed-back a number of assets, and has liquidated a number of them, for the benefit of the Receivership Estate.

4. At this time, to generate further proceeds for the Estate, the Receivership Estate seeks to liquidate the Assets. In respect to the Assets, the Mobile Home is still entitled in the name of Mary Carol Hunter, one of the main defendants subject to the related Receivership Estate's claw-back litigation. However, the Receivership Estate expects that title to the Mobile Home will be transferred to the Receivership Estate by the time of the Auction.

5. To generate the highest return possible from the sale of these Assets, I have determined, based upon my exercise of business judgment, that instead of a private sale of these Assets to a prospective buyer, a public auction sale of these Assets would generate the greatest return to the Estate. Such a sale would incur the least amount of expense in respect to a sale.

6. The Receivership Estate asserts that the Auction Preparation Expenses associated with the Auction Preparation Actions are necessary to facilitate any interested buyers' review of and bidding on the Assets.

7. I previously listed this property through a real estate agent but did not receive any bona fide offers. This Auction offers the best opportunity to bring all buyers

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<sup>1</sup> All capitalized terms not defined herein shall have the same meanings as set forth in the Motion.

together in order to attempt to maximize the sale price, which could exceed \$29,900 (the prior asking price for the Assets).

8. I believe the \$1,500 in Auction Preparation Expenses are nominal, and would benefit the Receivership Estate by ensuring that the best price is received through a well advertised, attended, and prepared Auction.

9. The Auction proposed herein will be conducted in the District of Oregon which is located outside where I was appointed as receiver. In this instance, the District Court is located in Atlanta, Georgia, and the Assets are located in the District of Oregon. Given the nature of the Assets, it is wholly either financially impractical or impossible to move both of the Assets to Georgia to have the sale of the Assets occur in Georgia. As a result, the Receivership Estate proposes that the Court direct the sale of the Assets to occur in the District of Oregon.

10. The Receivership Estate seeks authority to provide notice of the Auction, once scheduled, upon 30 days' notice to all known investors and creditors. The Auctioneer will also use appropriate means to advertise the sale to the general public, which cost to advertise is included in the Auction Preparation Expenses. With notice to investors and creditors provided, and the Auctioneer advertising the sale to the general public, this will encompass the broadest possible group of potential buyers are notified of the Auction.

11. Further, to the extent that the Auction of the Lot, as real property, is subject to the newspaper publication requirement for auction of realty of 28 U.S.C. § 2002, the Receivership Estate requests waiver of such requirement, to avoid the significant costs of such publication requirements. The Receivership Estate asserts that such publication requirement is unnecessary in this instance, and associated costs may be conserved, since the Receivership Estate will already provide notice of the Auction to investors and creditors at least 30 days' prior to the Auction, and also the Auctioneer will advertise the Auction prior to the Auction date of the Assets in the local daily publication.

12. For the Auction itself, the Receivership Estate proposes the following specific terms and conditions for the Auction, to be included in the Order:

- The Assets will be offered to the bidder making the offer that the Auctioneer deems to be, in his discretion, the highest or best offer.
- Each bidder must present evidence at the Auction that he or she has in his possession a certified or cashier's check for at least \$2,500 made payable to the Receiver. The high bidder at Auction will be required to execute a Purchase Agreement and make a deposit equal to 10% of the winning bid, but not less than \$2,500.
- The purchase agreement shall provide for escrow to be opened and for closing to occur no later than 45 days following the date of execution unless extended by the Receiver.
- The Assets shall be transferred on an "AS IS," "WHERE IS," and "WITH ALL FAULTS" basis. THE RECEIVER MAKES NO REPRESENTATIONS OR WARRANTIES AS TO CONDITION OR FITNESS OF USE FOR ANY OF THE ASSETS. THE RECEIVER EXPRESSLY DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES WITH RESPECT TO THE ASSETS, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- All of the Assets sold shall be sold free and clear of any liens, claims or encumbrances with all liens, claims or encumbrances, if any, attaching to the net proceeds of the sale with the same force and in the same priority as currently exists.
- Overbids will be accepted for all Assets sold at the Auction at increments to be determined by the Auctioneer at the time of Auction for the Assets.

- The Receivership Estate reserves the right to place a reserve price on the Assets, and reserves the right to accept or reject any final bids on such Assets if said bid is not greater than the reserve price set for the Assets.

13. The Receivership Estate requests that the Court approve said terms and conditions for the Auction.

14. Pursuant to the terms of a written Auctioneer Engagement Agreement (the "Agreement"), attached to the Motion as Exhibit "A", the Receivership Estate proposes to employ R. J. & L. Enterprises, Inc., dba Realty Marketing/Northwest, an auction and liquidation company, in order to assist the Receiver with selling the Assets. Pursuant to the terms of the Agreement, the Auctioneer will receive compensation for its services in an amount equal to seven percent (7%) of the gross proceeds of the Auction ("Auction Sales Commission") plus \$1,500 for the Auction Preparation Expenses, and if there is a real estate broker which is responsible for bringing a successful bidder to the Auction, the broker shall receive a share of the Auction Sales Commission as set forth in the Auctioneer Engagement Agreement.

15. The Receivership Estate will provide notice via e-mail of the Auction to all interested parties, creditors and investors, which notice will include the date, time and location of the Auction and all associated preview dates. The Receivership Estate will provide email notice to all investors and creditors per the Receiver's procedures approved by Court Order. Furthermore, the notice will provide a general description of the Assets to be sold at the Auction. This Notice will be in addition to the advertising and marketing of the Auction to be conducted by the Auctioneer.

16. For purposes of preparing for the Auction, the Receivership Estate therefore seeks an order to (a) conduct an auction sale of the Assets free and clear of liens and encumbrances on or around April 24, 2010, or upon such other reasonable date as determined by the Receiver, (b) incur the Auction Preparation Expense, (c) provide 30 days' notice of the Auction to investors and creditors via e-mail, pursuant to the Receiver's e-mail notice procedures for investors and creditors as approved by Court

Order entered on November 29, 2007, (d) approve the terms of the Auction and the terms of the Auctioneer's employment and commission, and any shared commission with any real estate broker, (e) relieve the Receiver from the publication requirement of 28 U.S.C. § 2002, and (f) grant any other related relief.

17. The Receivership Estate further respectfully requests that, if no objection is filed within the applicable time period under the Local Rules, that the Court enter such order immediately upon expiration of the time period, and on or before March 10, 2010 (which is the date the Auctioneer is scheduled to commence preparation for the Auction).

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 11<sup>th</sup> day of February, 2010, at Portland, Oregon.

  
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MICHAEL A. GRASSMUECK