

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

**NOTICE OF MOTION FOR ORDER APPROVING CLAIMS
PROCEDURES, ESTABLISHING CLAIMS BAR DATE, AND
APPROVING OTHER RELATED RELIEF**

PLEASE TAKE NOTICE THAT Michael A. Grassmueck (the "Receiver"), the duly appointed 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"), has moved this Court (the "Motion") for an order to (i) approve the procedure to be used by the Receiver for the solicitation, review

and approval of claims against the receivership estate (the "Receivership Estate"), as described in the Motion, (ii) fix a date certain (the "Bar Date") as the last date by which the Receiver must receive proofs of claim of any type against any of the Receivership Entities; (iii) approve the form and manner of notice of the Bar Date to be sent to creditors, investors and parties in interest, and (iv) allow the Receiver to not process claims or make distributions to those investors and creditors who made principal investments, or who have trade claims, of less than \$2,000 (collectively, the "Claims Procedures").

On June 4, 2008, the Receiver was appointed in this action pursuant to Court order (the "Receiver Order"). The Receiver Order identifies the Receiver's duties and responsibilities as encompassing, among others, the following general categories: (i) securing, protecting and recovering receivership estate (the "Receivership Estate") assets, (ii) preparing an accounting and investigating the status and whereabouts of Receivership Estate assets, (iii) liquidating Receivership Estate assets, and (iv) determining the necessary distributions to investors and creditors, based on review and allowance of such investors' and creditors' claims.

The Claims Procedures are necessary in order for the Receiver to determine the maximum amount of claims that will be allowed to participate in distribution of any proceeds of Receivership Estate. To accomplish this, the Receiver will perform a careful review of any claims filed against the Receivership Estate following a Court approved Bar Date.

With limited proceeds available for distribution, the Claims Procedures will ensure that the proceeds available for distribution are maximized for payment to those investors and creditors who hold valid claims against the Receivership Estate, and whose claims are sufficiently documented and filed by the Bar Date. At this time, the Receiver estimates a total of approximately \$1,500,000 will be available for distribution to investors and creditors.

As further detailed in Section VI of the Motion, and attached Exhibit "A" to the Motion, the Receiver has conducted a careful analysis of the anticipated claims against the Receivership Estate, and balanced the cost of processing such claims against the actual proceeds available for distribution. The processing cost includes, among other things, reviewing the claim (including reviewing any documentation in support of such claim), conducting any additional follow-up correspondence or telephone calls in respect to such claim, appearing at a hearing on allowance of the claims, and distributing the payout on claims (including any fees to process payment of such claim and mailing and postage of such claim) (collectively, the "Administrative Cost"). The Receiver estimates the Administrative Cost to be \$55.50 for each of the estimated 7,826 claims. This Administrative Cost could actually be even higher if the Receiver needs to prepare specific objections to the claims, and follow through on the process for disposition of such objections. The Receiver has determined that if the Receiver must review and fully process all of the claims, the Administrative Cost would likely consume almost a third of the entire amount available for distribution.

In light of this, the Receiver has considered alternative approaches to claims processing and distribution which has resulted in the proposal to limit claims processing and distribution. Here, there are an estimated 4,546 claims that are less than \$2,000. These "less than \$2,000 claims" reflect only 6.3% of the money invested in the Receivership Entities. Based on the Receiver's analysis, the cost of reviewing and processing each of these "less than \$2,000 claims" is greater than the pro rata distribution that each of the claimants would receive on their respective claims. Further, the Receiver has determined that the total Administrative Cost for these "less than \$2,000 claims" would amount to \$252,303, which total Cost alone would consume 17% of the Receivership Estate funds available for distribution.

The Receiver has conducted a cost-benefit analysis, and has balanced the Administrative Cost against the actual percentage payout on such claims from Receivership Estate funds. From his analysis, the Receiver believes that the benefit of making a distribution to those "less than \$2,000 claims" is outweighed by the Administrative Cost in processing such claims.

The Receiver seeks to maximize the distribution to investors and creditors of the Receivership Estate, but is keenly aware of the Administrative Cost, and wants to effect a distribution which will actually maximize recovery to those investors and creditors, whose claims are not subsumed by the cost. This desire to maximize distribution is reinforced by the fact that 93.7% of the money invested was attributable to those investors who paid \$2,000 or more. The Receiver finds no economic justification for processing claims of investors which are less than \$2,000. Therefore, based upon the Receiver's cost-benefit analysis, the Receiver recommends that the Court allow the Receiver to not process claims or make distributions to those investors and creditors who have made principal investments, or who have trade claims, of less than \$2,000.

PLEASE TAKE FURTHER NOTICE that copies of the Motion can be viewed at or obtained from the Clerk of the Court, U.S. District Court, Northern District of Georgia, Atlanta Division, 75 Spring Street SW, Room 2211, Atlanta, GA 30303-3361, or by writing to counsel to the Receiver at the below-referenced address.

PLEASE TAKE FURTHER NOTICE that the Motion is set without hearing, unless otherwise ordered by the Court pursuant to Local Rule 7.1(E), and any opposition shall be filed no later than ten (10) days after service of the Motion, excluding weekends and Court holidays, pursuant to Local Rule 7.1(B). Failure to file an opposition shall indicate that there is no opposition to the Motion pursuant to Local Rule 7.1(B).

Dated: October 3, 2008

Respectfully submitted,

/s/ David R. Zaro, Esq.

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