

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 AUTHORIZING AUCTION SALE OF
ASSETS FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND
ENCUMBRANCES AND FOR 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 authorization to conduct an auction of the assets of the Receivership Entities and for other related relief.

Specifically, the Receiver requests an order authorizing the Receiver to: (1) conduct a public sale ("Auction") of the personal property assets (the "Assets") of the Receivership Entities free and clear of all liens, claims, interests and

encumbrances to the persons or entities presenting the highest and best offers; (2) for purposes of preparing for the Auction, (a) lease a warehouse, (b) transport the assets to such warehouse, (c) store the assets in the warehouse for a period necessary to complete the Auction, (collectively, the "Auction Preparation Actions") and (d) break down pallets and prepare the inventory for a sale and, (3) incur an estimated \$230,000 related to the foregoing Auction Preparation Actions; (4) provide 30 days' notice of the Auction to investors and creditors of the Auction pursuant to e-mail; (5) sell the Assets pursuant to the terms and conditions of the Auction described in Section IV.D. of the Motion; (6) employ the auctioneer pursuant to the terms for auctioneer's employment and compensation described in Section IV.E. of the Motion; and (7) grant such other and further relief as is just and proper.

By the Motion, the Receiver requests that the Court authorize the Auction of certain personal property assets of the Receivership Entities. The Assets that will be the subject of the Auction consist primarily of the product inventory of Global and a number of its subsidiaries, which consists of items such as small kitchen appliances, kitchenware, hardware, automotive products, bathroom accessories, bedding and linen, clothing, furniture, garden and patio products, toys, computer software, office supplies, pet supply products, and sporting goods. Along with this are some late-model vehicles, video and sound equipment and other assorted personal property.

The Assets are located at or near Global's business facilities in Union, Oregon, and other various locations in Union County, Oregon, but are not organized in an orderly manner, for a buyer to easily categorize and identify the types and amounts of Assets. Union County is located in eastern Oregon, approximately 2½ hours from Portland, Oregon. The physical size of the inventory is large, filling thousands of boxes. Many of the Assets are currently stored in thirty-five 40-foot shipping containers.

Based on the Receiver's due diligence, the Receiver has concluded that a bulk sale of the Assets will likely generate less net earnings to the receivership estate (the "Receivership Estate") than a public auction sale at a location proximate to a major population center. In order to conduct the Auction, the Receiver has determined that he will require a single storage facility large enough in size to house all of the Assets prior to Auction. As detailed in the Motion, based upon consultations with the proposed auctioneer, James A. Murphy, Inc. (the "Auctioneer"), the Receiver proposes to rent a large warehouse of approximately 75,000 square feet in Portland, Oregon, as an appropriately sized facility for storage and sale of the Assets.

By moving the Assets to a larger storage facility which is more proximate to a major metropolitan area, it is believed that buyers will have easier access and a better opportunity to review the Assets. The Receiver also believes that this will permit buyers to more quickly review the category, quality and type of Assets for sale. Ultimately, the Receiver believes that these steps will encourage more participation by a greater cross-section of buyers, allow potential buyers to assess the quality and value of the Assets and thereby maximize the net recovery to the Receivership Estate.

According to the Auctioneer, the estimated expenses related to the Auction Preparation Actions will include \$54,000 in labor costs, \$16,000 in advertising, \$57,500 in moving expenses, and \$12,500 equipment rental. The Auctioneer also anticipates a rental fee for a 75,000 square-foot warehouse in Portland, Oregon to house the Assets of approximately \$30,000 per month for a period of 3 months. Thus, before commissions, the total expenses related to the Auction are estimated at \$230,000.

The expenses associated with the Auction Preparation Actions are necessary to facilitate the interested buyers' review of the Assets. Based upon his assessment of the Assets, due diligence and consultation with the Auctioneer and others, the

Receiver believes in his reasonable business judgment that the \$230,000 expense is justified under the circumstances. For example, despite making contacts with a cross-section of retailers involved in overstock, discount and seconds business, the Receiver has received only one offer for the Assets, which offer was \$100,000. Given the volume and types of goods, the Auctioneer believes that the chances for the Receivership Estate to receive significantly higher returns is greatly increased by incurring the \$230,000 in expenses.

It is the Auctioneer's belief, based on his significant experience, that the expenditure of the Auction Preparation Expenses is justified under a cost-benefit analysis. Although the \$230,000 in fees and expenses is significant, the Auctioneer estimates that the gross revenues generated from the sale of Assets at an Auction, including rolling stock, will exceed \$350,000. Thus, the net proceeds from the sale of the Assets will exceed the current offer for the Assets, and could potentially exceed that offer by an even greater amount.

Thus, for purposes of preparing for the Auction, the Receiver seeks an order authorizing the Receiver (a) to lease a warehouse, (b) to transport the assets to such warehouse, (c) to store the assets in the warehouse for a period necessary to complete the Auction, (d) to break down pallets and prepare the inventory for sale. The Receiver also seeks an order authorizing the Receiver to incur the estimated \$230,000 in expenses related to the foregoing Auction Preparation Actions.

Further, the Receiver seeks authority pursuant to the Motion to 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. The e-mail notice will ensure that investors and creditors are notified in the fastest possible way of any Auction date. The Receiver has not yet selected an Auction date, but continues to prepare the Assets, as noted above, for Auction, and will notify the investors and creditors via e-mail of any Auction date, once selected.

Finally, by the Motion, the Receiver seeks approval of the terms of the Auction, as set forth above, and seeks to approve the terms of the Auctioneer's employment and compensation.

The money generated by the Auction will be held on deposit with the Receiver in accordance with the terms of the Order appointing the Receiver by this Court, which was entered on June 4, 2007. Upon the Court's approval, the Auctioneer will provide notice, advertise, make available for viewing, and Auction off the Assets. The Auction will occur no sooner than 30 days after notice of the Auction is provided to the investors and creditors via e-mail. Notice of the Auction will also be published by the Auctioneer as he deems appropriate.

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: December 13, 2007

[Signatures on next page]

Respectfully submitted,

/s/ David R. Zaro, Esq.

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