

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

SECURITIES AND EXCHANGE COMMISSION, Plaintiff, v. GLOBAL ONLINE DIRECT, INC., BRYANT E. BEHRMANN and LARRY "BUCK" E. HUNTER, Defendants.	Case No. CV-0767-WSD FOURTH APPLICATION OF FINANCIAL FORENSICS FOR PAYMENT OF FEES AND EXPENSES AS ACCOUNTANTS TO RECEIVER
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Financial Forensics, forensic accountants to Michael A. Grassmueck ("Receiver") brings this fourth fee application ("Fourth Application") for professional fees and costs incurred between March 1, 2010 and July 31, 2010 ("Fourth Application Period"). Detailed billing statements of the fees and expenses requested by Financial Forensics are attached hereto as Exhibit A.

I. BRIEF INTRODUCTION

By order dated June 4, 2007 (the "Order"), Michael A. Grassmueck was appointed Permanent Receiver of Defendant Global Online Direct, Inc. and its subsidiaries and affiliates

("Receivership Estate"). The Receiver was charged with taking possession of and maintaining the assets and records for Global Online Direct, Inc. (or "Global Online") for the benefit of investors.

The Receiver's and the professionals' activities during the Fourth Application Period have been focused on administering the estate assets, which include accounts, personal property, real property, and third party claims. The Receiver and his professionals reviewed records, traced transactions and funds, issued subpoenas to collect financial and other data in order to locate assets and reconstruct financial records, obtained authority to sell selected parcels of real property, and evaluated and pursued third party claims.

II. EMPLOYMENT OF PROFESSIONALS

In accordance with the Order, the Receiver engaged certain professionals to assist in operation of the receivership in connection with the Companies and Individual Defendants and in otherwise implementing the provisions of the Order, including:

- Allen Matkins Leck Gamble Mallory & Natis LLP ("Allen Matkins"): general receivership counsel for Receiver;
- Financial Forensics: forensic accountants to the Receiver; and
- Larkins Vacura LLP: litigation counsel

III. SUMMARY OF WORK

Given the complexity of this receivership, Financial Forensics' work has been segregated into the following categories:

- a) General Receivership Matters
- b) Claims Against Third Parties
- c) Services/Information Sharing with Government Agencies

As detailed below, the Receiver's, Financial Forensics', Allen Matkins', and Larkins Vacura's services involved ongoing extensive investigation and analysis of many issues. Set forth below is a description by general matter of Financial Forensics' activities through July 31, 2010.

a) General Receivership Matters

As detailed in the attached invoice, Financial Forensics has been assisting Michael A. Grassmueck since the date of his appointment as Receiver to the Companies. As such, this engagement has included many tasks that can only be classified as General Receivership Matters.

b) Claims Against Third Parties

Throughout the receivership, Financial Forensics has assisted the Receiver and Receiver's counsel with development and pursuit of third party actions as well as recovery of assets. Financial Forensics has provided financial and transactional analysis as appropriate in support of these actions. Financial Forensics has also provided testimony as required in these matters.

c) Services/Information Sharing with Government Agencies

Throughout the duration of the receivership, Financial Forensics has continued to share information and documents with the Commission, the United States Attorney, and agencies assisting the United States Attorney. The sharing of information between parties has permitted Financial Forensics to assist the Receiver in the most efficient matter.

IV. SUMMARY OF FEES REQUESTED

A. Fees and Expenses

From March 1, 2010 through July 31, 2010 Financial Forensics' fees were \$253.00. The daily time records reflecting these services are detailed in Exhibit A attached hereto and incorporated herein by this reference.

Exhibit B, attached hereto, is a summary of professional services, billing rates, total hours, and total fees.

B. The Requested Compensation is Reasonable and Should be Allowed

In determining the reasonableness of the fees and expenses requested, the District Court should consider the complexity of the problems faced, the benefit of the services to the Receivership Estate, the quality of the work performed, and the time records presented. *SEC v. Fifth Avenue Coach Lines, Inc.*, 364 F. Supp. 1220, 1222 (S.D.N.Y. 1973).

The challenges faced by the Receiver and his professionals in this case were many, including but not limited to, the need to take over and assess the viability of business operations after the entry of the Order, the lack financial records and other documents available for Global Online, the commingling of accounts, the lack of a reliable investor database, the possession of property and documents by third parties and the issues involved in having to the inventory and real property located in a remote geographic region. Given these challenges, the Receiver and his professionals had to spend resources addressing those issues, while balancing the need for efficient administration of the receivership estate.

Financial Forensics believes its request for compensation is fair and reasonable given the challenges and complexity of this matter. The request for compensation is based on the customary hourly rates, which represent an average billing rate of \$230 per hour. There exists no agreement or understanding for sharing of compensation hereunder.

V. REQUEST FOR FINAL APPROVAL OF THE FEES AND EXPENSES FOR PRIOR INTERIM PERIODS

Financial Forensics additionally seeks final approval of the fees and expenses awarded for the prior interim periods. Financial Forensics has proceeded through reviews from the SEC and the Court on its prior fee applications. Financial Forensics has provided detailed invoices for fees and expenses and has adjusted such fees and expenses where the SEC and Court have requested. The prior fees and expenses also reflect discounts which the Court also considered in awarding the fees and expenses for the prior interim periods. Based on the Court's and SEC's thorough review and approval of the prior interim fee applications, Financial Forensics request final approval of all prior fees and expenses awarded pursuant to the First, Second and Third Interim Fee Applications. The following table sets forth the amounts requested and approved under the Interim Fee Applications.

Application Date	Total Amount Requested and Awarded
July 18, 2008	\$161,134.77
March 27, 2009	\$56,206.87
February 28, 2010	\$9,568.74

WHEREFORE, Financial Forensics requests the Court to enter an order as follows:

1. Approving payment of professional fees to Financial Forensics for the period of March 1, 2010 through July 31, 2010 in the amount of \$253.00.

2. Authorizing and directing the Receiver to pay Financial Forensics with funds out of the assets of the Companies pursuant to the Order.
3. Granting final approval of all fees and expenses paid to Financial Forensics for prior interim periods.
4. Granting such further and other relief as the Court deems just and proper.

DATED this 25th day of August, 2010.

FINANCIAL FORENSICS®

By:



Gregory A. Gadawski, CPA/ABV, CVA,
CFE, CIRA

(503) 636-7999

gregg@financialforensics.com

Accountants to Receiver

Michael A. Grassmueck

PRIVILEGED AND CONFIDENTIAL

Invoice #3417

Date: Monday, August 23rd 2010

Terms: Upon receipt

Project: Grassmueck - SEC v. Global Online Direct, Inc. et al

To:

Mr. Michael Grassmueck

The Grassmueck Group

P.O. Box 3649

Portland, OR 97208

<u>Date</u>	<u>Description/Notes</u>	<u>Associate</u>	<u>Units</u>	<u>Total</u>
Monday, March 22nd 2010	LITIGATION - TESTIMONY AND RELATED Review and finalize declaration in opposition to Madoff motion to dismiss. Forward signed declaration to Danielle Hunsaker.	Gadawski, Greg	.3 hrs	\$69.00
Monday, March 29th 2010	LITIGATION - TESTIMONY AND RELATED Review and finalize declaration in support of plaintiff's default judgment against Success by Design and Murro Partners. Forward to Danielle Hunsaker.	Gadawski, Greg	.3 hrs	\$69.00
Tuesday, March 30th 2010	LITIGATION - TESTIMONY AND RELATED Revise declaration per Danielle Hunsaker and re- finalize. Forward to Danielle.	Gadawski, Greg	.2 hrs	\$46.00
Thursday, April 15th 2010	LITIGATION - TESTIMONY AND RELATED Review, finalize and sign declaration regarding Oberan litigation.	Gadawski, Greg	.3 hrs	<u>\$69.00</u>
			Total	<u>\$253.00</u>

Darrell Dorrell, PC
 dba Financial Forensics®
 Fed. ID#: 93-1280180

**Fee Application - Financial Forensics
Exhibit B**

Summary of Fee Application

Gross Fees	\$ 253.00
"NO CHARGE" Items	<u>0.00</u>
Net Fees	253.00
Net Expenses	<u>0.00</u>
Total Request	<u><u>\$ 253.00</u></u>

Billing Rates

Principals	\$200 to \$315 per hour
Other Professionals	\$120 to \$195 per hour
Technical Staff	\$55 to \$95 per hour

Hours

Gadawski, Gregory	<u>1.1</u>
	<u><u>1.1</u></u>

Average Billing Rate

Net Fees	\$ 253.00
Total Hours	1.10
Average Billing Rate	\$ 230