

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
OMNIBUS MOTION REGARDING CLAIMS**

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 Omnibus Motion Regarding Claims (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. On June 4, 2008, I was appointed as receiver in this action pursuant to Court order (the "Receiver Order"). The Receiver Order identifies my duties and responsibilities as receiver 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.

4. In connection with my duties under the Receiver Order, and based on the timing of this case and the existence of funds available for distribution to investors and creditors, I determined it appropriate to commence the claims review and analysis process. I sought and obtained Court approval of a claims procedure, which included a process for notice, solicitation, review and allowance of claims; a claims bar date of April 10, 2009 ("Claims Bar Date"); and the form of notice of the Claims Bar Date, (collectively, the "Claims Procedures").

5. I, along with my staff, (collectively, the "Receiver's Office") followed the Claims Procedures. Upon receiving the claims, the Receiver's Office commenced a review and analysis of the claims in order to reconcile the claims with the books and records of the Receivership Estate and the Receiver's forensic accounting. In addition, the Receiver's Office addressed the reality that there will only be nominal distributions made on account of each allowed claim.

6. As such, the Receiver's Office worked to establish an allowed claim for each investor reflecting their principal investment, less any deductions for withdrawals of investment funds, if any. The Receiver's Office completed the claims review and analysis, and made determinations concerning the allowance and disallowance of certain claims.

7. The Receiver's Office received 2,407 proofs of claims filed against the Receivership Estate which totaled \$47,746,813.38. As is often the case, some

claimants filed multiple claims and/or requested payment of amounts in excess of the principal amount of their investment (e.g. lost opportunity costs, interest, fees, etc.). Based upon the resources available for distribution, I request that the Court allow only the principal amount of each investor claim.

8. I request, by the Motion, that the Court allow or disallow, as applicable, certain claims, as set forth in the chart attached to the Motion as Exhibit "A". The Claims List identifies claimants by number only instead of by investor name in order to protect the identity of the investors and creditors. I request that the Court allow the total amount of \$21,537,893.93 in claims in whole or in part, which represents 2,124 of the 2,407 claims, and disallow the remainder of the claims.

9. Given the processing cost for each claim, and the amounts available to make a *pro rata* distribution to claimants, I proposed, and the Court previously approved, a maximum payment of \$10.00 to those claimants who file proofs of claim based on an investment of \$2,000 or less, or for those claimants who file their proofs of claim and do not have or do not wish to produce documents supporting their claim ("Convenience Class Claim"). The Convenience Class Claims are notated in the chart in Exhibit "A" to the Motion as "CC". As for the balance of the allowed claims, I anticipate distributions of less than 5% on such claims.

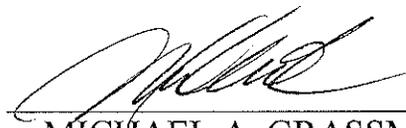
10. In conjunction with the filing of the Motion, the Receiver's Office will transmit a postcard to all claimants, who have filed claims against the Receivership Estate. The postcard will (i) notify the claimants of the filing of this Motion, (ii) instruct such claimants to review the treatment of their filed claims per this Motion on the website for this case at www.grassmueckgroup.com/global_online.php, which Motion will be uploaded for the claimants' review, and (iii) provide them with their claim number to cross-reference the chart listing the claim numbers to

determine how their claims are to be treated. A copy of the form postcard is attached to the Motion as Exhibit "B".

11. The value of the assets available for distribution to claimants is significantly less than the total amount of claims filed. In addition, many of the claims filed appear to be based upon (a) duplicate filed claims, (b) speculative and unproven damages, (c) improperly filled-in proof of claim forms, (d) incorrectly designated as secured claims when they are actually unsecured claims, (e) designated in Canadian currency, and not properly converted to U.S. currency, and without proper substantiation, and (f) untimely filed after the Claims Bar Date. As a result, certain parameters were set and applied to categories of claims so that all investors and creditors are treated fairly.

12. I have requested that the receiver be permitted the right to amend, modify, or supplement the Motion and to make additional objections to any and/or all of the above-referenced undocumented claims or any other claim (filed or not), which may be subsequently asserted against the Receivership Estate. Should one or more of the grounds of objection stated in this Motion be overruled, I reserve the right to object on other stated grounds or on any other grounds that the Receiver's Office may discover during the administration of this case.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 14th day of August, 2009, at Portland, Oregon.


MICHAEL A. GRASSMUECK