

1 LAW OFFICES OF ALAN VANDERHOFF
Alan Vanderhoff, Cal. Bar No. 138032
2 701 "B" Street, Suite 1000
San Diego, California 92101

3 Telephone: (619) 299-2050

4 Counsel for GLOBAL MONEY MANAGEMENT L.P.

5
6
7
8 UNITED STATES BANKRUPTCY COURT
9 SOUTHERN DISTRICT OF CALIFORNIA
10

11 In re:) BK. No. 04-02295-M11
12 GLOBAL MONEY MANAGEMENT L.P.,)
13 Debtor.) MOTION TO EXTEND EXCLUSIVE
14) PERIODS WITHIN WHICH TO FILE AND
15) CONFIRM A PLAN OF
16) REORGANIZATION
17) MEMORANDUM OF POINTS AND
18) AUTHORITIES
19) DECLARATION OF ALAN VANDERHOFF
20)
21) Date: July 29, 2004
Time: 11:00 a.m.
22) Dept.: One
23) Judge: Hon. James W. Meyers

22 GLOBAL MONEY MANAGEMENT L.P., debtor-in-possession in the above-
23 captioned case (the "Debtor"), by and through its attorney, Alan Vanderhoff, hereby moves
24 pursuant to Bankruptcy Code section 1121 for a 120-day extension of the exclusive period
25 for filing a plan of reorganization from July 12, 2004 through November 9, 2004, and for an
26 extension of the exclusive period for confirming a plan of reorganization through
27 January 10, 2005. This is the Debtor's first motion for an extension of the exclusivity
28 periods.

1 This Motion is based on the Notice of Motion, the Memorandum of Points and
2 Authorities, and the Declaration of Alan Vanderhoff filed in support of this Motion, all
3 documents and pleadings on file in this case, and such other arguments and documents as
4 may be presented at or before the hearing on this Motion.

5 Dated: July 1, 2004

6 LAW OFFICES OF ALAN VANDERHOFF

7
8 /s/

9 By _____
10 ALAN VANDERHOFF

11 Counsel for GLOBAL MONEY MANAGEMENT L.P.
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

MEMORANDUM OF POINTS AND AUTHORITIES

I.

SUMMARY OF FACTS

Global Money Management L.P. (the “Debtor”) is a California limited partnership. It has existed since approximately 1993. The Debtor purported to be an investment fund. On March 11, 2004, the Securities and Exchange Commission (“SEC”) filed a complaint in the United States District Court for the Southern District of California, Case No. 04 CV00521BTM(WMC) (the “SEC Action”), against the Debtor, LF Global and Marvin Friedman. The complaint alleged, inter alia, a massive fraud against the investors of the Debtor in which tens of millions of dollars are missing.

On March 11, 2004, the District Court in the SEC Action issued a temporary restraining order freezing the accounts of the Debtor, LF Global, and Mr. Friedman. The District Court also appointed Mr. La Bella as receiver for the Debtor, LF Global and Mr. Friedman. On March 13, 2004, at the direction of Mr. La Bella, the Debtor filed a voluntary petition under Chapter 11 of the Bankruptcy Code to assist in the preservation and recovery of assets of the Debtor.

Mr. La Bella, the Debtor’s counsel, and the Debtor’s forensic accountants have been working diligently to investigate the fraud perpetrated on the Debtor’s investors, to reconstitute the Debtor’s books and records, to investigate causes of action against the Debtor’s insiders, to investigate causes of action against various third parties, and to seek the recovery of the Debtor’s assets. It is a difficult undertaking because the Debtor’s books and records are in poor condition, large amounts of money moved freely between the Debtor’s accounts and those of numerous affiliated entities (including entities owned by insiders), and numerous documents and records were destroyed shortly before the SEC action was filed.

1 II.

2 REQUEST FOR JUDICIAL NOTICE

3 The Debtor requests this Court, pursuant to Federal Rule of Evidence 201, to take
4 judicial notice of the following pleading which was filed in the above-captioned case as
5 Docket No. 34:

6 Declaration of Charles G. La Bella in Support of Motion for Order (1)
7 Relieving Receiver of Turnover Duties under Bankruptcy Code Section 543;
8 (2) Designating Charles G. La Bella as Responsible Person; and (3)
9 Approving Compensation of Charles G. La Bella

9 III.

10 ARGUMENT

11 A Chapter 11 debtor has the exclusive right to propose a plan and obtain requisite
12 acceptances for a limited period of time. 11 U.S.C. § 1121(b)-(c). A Chapter 11 debtor
13 may request that this time be extended, and the Court may grant such a request for
14 "cause." 11 U.S.C. § 1121(d). "Cause" is to be viewed flexibly "in order to allow the debtor
15 to reach an agreement." In re McLean Industries, Inc., 87 B.R. 830, 833 (Bankr. S.D. N.Y.
16 1987). The only notable restriction on this flexibility is that "an extension should not be
17 employed as a tactical device to put pressure on the parties to yield to a plan they
18 considered unsatisfactory." Matter of Lake in the Woods, 10 B.R. 338, 345 (E.D. Mich.
19 1981). Extensions are favored when the debtor has a good faith reason for an extension
20 and is not merely seeking to pressure its creditors. In re Pine Run Trust, Inc., 67 B.R. 432,
21 435 (Bankr. E.D. Pa. 1986). As one court emphasized in granting an extension, "[this is
22 not] a case where the debtor has lost sight of the need to deal with its creditors." McLean
23 Industries, 87 B.R. at 834. See also In re Perkins, 71 B.R. 294, 300 (W.D. Tenn. 1987)
24 (extension granted where debtor showed diligence in structuring plan acceptable to bulk of
25 creditor body).

26 In the present case, an extension of the exclusivity period is in the best interests of
27 the Debtor and all of its creditors. In this case, the Debtor is not attempting to pressure its
28 creditors. To the contrary, Mr. La Bella is a court-appointed officer of the court who is

1 dedicated to marshaling the Debtor's assets and maximizing the recovery to the Debtor's
2 creditors. Due to the complex nature of this case and the interconnections between the
3 Debtor and its various affiliates and insiders, this case will require creative solutions. The
4 plan of reorganization process provides a wide variety of tools that can be used to bring
5 about those creative solutions.

6 As the court-appointed officer charged with resolving this case, Mr. La Bella should
7 continue to have the exclusive use of the plan process. It is doubtful that any other party
8 wants to file a plan of reorganization. Nonetheless, it is in the best interests of the estate
9 and all creditors that the exclusivity period be extended.

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

IV.
CONCLUSION

For the reasons stated herein, this Court should enter an order extending the
exclusive period for filing a plan of reorganization from July 12, 2004 through November 9,
2004, and extending the exclusive period for confirming a plan of reorganization through
January 10, 2005.

Dated: July 1, 2004

LAW OFFICES OF ALAN VANDERHOFF

/s/

By _____
ALAN VANDERHOFF

Counsel for GLOBAL MONEY MANAGEMENT L.P.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DECLARATION OF ALAN VANDERHOFF

I, ALAN VANDERHOFF, declare as follows:

I am an attorney duly admitted to practice law before this Court. I am the attorney for Global Money Management L.P., the debtor in possession in the above-captioned case. I have personal knowledge of the facts contained in this Declaration and, if called as a witness, could testify competently thereto.

Mr. La Bella, the Debtor's forensic accountants and my firm have been working diligently to investigate the fraud perpetrated on the Debtor's investors, to reconstitute the Debtor's books and records, to investigate causes of action against the Debtor's insiders, to investigate causes of action against various third parties, and to seek the recovery of the Debtor's assets. It is a difficult undertaking because the Debtor's books and records are in poor condition, large amounts of money moved freely between the Debtor's accounts and those of numerous affiliated entities (including entities owned by insiders), and numerous documents and records were destroyed shortly before the SEC action was filed.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed in San Diego, California on July 1, 2004.

/s/

ALAN VANDERHOFF

3 PROOF OF SERVICE BY MAIL/E-MAIL

4 I, the undersigned, declare that I am, and was at the time of service of the papers
5 herein referred to, over the age of 18 years and not a party to the within action or
6 proceeding. My business address is 701 "B" Street, Suite 1000, San Diego, California
7 92101, which is located in the county in which the within-mentioned mailing occurred. I am
8 readily familiar with the practice at my place of business for collection and processing of
9 correspondence for mailing with the United States Postal Service. Such correspondence
10 will be deposited with the United States Postal Service on the same day in the ordinary
11 course of business.

12 On July 1, 2004, I served the following document(s):

13 MOTION TO EXTEND EXCLUSIVE PERIODS WITHIN WHICH TO FILE
14 AND CONFIRM A PLAN OF REORGANIZATION

15 MEMORANDUM OF POINTS AND AUTHORITIES

16 DECLARATION OF ALAN VANDERHOFF

17 by placing a true copy in a separate envelope for each addressee set forth below, with the
18 name and address of the persons served shown on the envelope as shown below, and by
19 sealing the envelope and placing it in the appropriate location at my place of business for
20 collection and mailing with postage fully prepaid in accordance with ordinary business
21 practices.

22 Mary Testerman DeVoisin, Esquire
23 Office of the United States Trustee
24 402 West Broadway, Suite 600
25 San Diego, CA 92101

26 Leonard J. Siegal, Esquire
27 Atkinson Farasyn LLP
28 660 West Dana Street
PO Box 279
Mountain View, CA 94042

29 I also served a true copy of the above document(s) by transmitting a copy of the
30 document, via e-mail, to each person set forth on the attached list to the e-mail addresses
31 set forth on the attached list.

32 I declare under penalty of perjury under the laws of the United States of America
33 and the State of California that the foregoing is true and correct. Executed on July 1, 2004,
34 at San Diego, California.

35 /s/

36 _____
37 Alan Vanderhoff

SPECIAL NOTICE LIST

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Victor A. Vilaplana, Esquire
Seltzer Caplan McMahon Vitek
750 "B" Street, Suite 2100
San Diego, CA 92101
vilaplana@scmv.com

Myles R. Dresslove, Esquire
635 First Street
Santa Rosa, CA 95404
mdresslove@aol.com

James P. Hill, Esquire
Sullivan, Hill, et. al.
550 West C Street, Suite 1500
San Diego, CA 92101
hill@shlaw.com

Beth A. Buchanan, Esquire
Frost Brown Todd LLC
2200 PNC Center
201 East Fifth Street
Cincinnati, OH 45202-4182
bbuchan@fbtlaw.com

Sarah D. Moyed
U.S. Securities & Exchange Commission
5670 Wilshire Boulevard, 11th Floor
Los Angeles, CA 90036
moyeds@sec.gov

Mary Testerman DeVoisin, Esquire
Office of the United States Trustee
402 West Broadway, Suite 600
San Diego, CA 92101
mary.m.testerman@usdoj.gov

William A. Bramley, Esquire
Law Offices of William A. Bramley, APC
110 Juniper Street
San Diego, CA 92101
william.bramley@bramleylaw.com

A. Daniel Bacalski, Jr.
Bacalki, Byrne, Coska & Ottoson
402 West Broadway, 24th Floor
PO Box 120270
San Diego, CA 92112-0270
dbacalski@bbko.com

Margaret M. Mann, Esquire
Heller Ehrman White & McAuliffe, LLP
4350 La Jolla Village Drive, 7th Floor
San Diego, CA 92122-1246
mmann@hewn.com

Janet R. Weissman
U.S. Securities & Exchange Commission
5670 Wilshire Boulevard, 11th Floor
Los Angeles, CA 90036
weissmanj@sec.gov

File a Motion:

[04-02295-JM11 Global Money Management L.P.](#)

U.S. Bankruptcy Court
Southern District of California

Notice of Electronic Filing

The following transaction was received from Vanderhoff, Alan entered on 7/1/2004 at 1:38 PM PDT and filed on 7/1/2004

Case Name: Global Money Management L.P.

Case Number: [04-02295-JM11](#)

Document Number: [74](#)

Docket Text:

Motion to Extend Exclusive Periods within which to File and Confirm a Plan of Reorganization , *Memorandum of Points and Authorities, Declaration of Alan Vanderhoff* filed by Alan Vanderhoff on behalf of Global Money Management L.P. (related documents [73] Notice of Hearing and Motion,) (Vanderhoff, Alan)

The following document(s) are associated with this transaction:

Document description:Main Document

Original filename:C:\Documents and Settings\Alan Vanderhoff\My Documents\Law Practice Files\Active Matters\GMM\PDF\Pleadings\Exclusivity Motion\Motion Exclusivity 1.pdf

Electronic document Stamp:

[STAMP CASBStamp_ID=875559582 [Date=7/1/2004] [FileNumber=2603544-0] [010a154756bddf9f32cf3d6d4b8ee8dad26042fb6990f0168058f84686fe8655ae9fd7821d95978932a9ea12ae5af060aa7e888da805e7604345ef1acc7c2ee5]]

04-02295-JM11 Notice will be electronically mailed to:

James P. Hill Hill@SHLaw.com, mcallister@shlaw.com;azima@shlaw.com;powell@shlaw.com

Margaret M. Mann mmann@hewm.com

Alan Vanderhoff alan.vanderhoff@pacbell.net, alanvanderhoff@cox.net

04-02295-JM11 Notice will not be electronically mailed to:

William A. Bramley
Law Offices of William a. Bramley, APC
110 Juniper Street
San Diego, CA 92101

Myles R. Dresslove
635 First Street
Santa Rosa, CA 95404

Mary Testerman Duvoisin
Office of the US Trustee
402 West Broadway, Suite 600
San Diego, CA 92101

Victor A. Vilaplana
Seltzer Caplan McMahon Vitek
A Law Corporation
750 B. Street, Suite 2100
San Diego, CA 92101