

Company Report

GLOBAL PAYOUT, INC.

Leading the Prepaid Debit Card Charge

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GLOBAL PAYOUT, INC. (OTC:PK - GOHE - \$0.05)

Six-Month Price Target: \$0.16

Rating: Speculative Buy

COMPANY SNAPSHOT

Global Payout, Inc. is a payment solutions provider offering U.S. and international companies' electronic payment and pre-paid debit card solutions. Through its processors and solution providers Global Payout offers an innovative and unique international payment platform allowing accountholders to move money to personal bank accounts in over 200 countries. In addition, the Company provides U.S. and international debit cards, enabling accountholders without bank accounts to access funds worldwide. As a program manager and reseller, Global Payout also offers prepaid debit cards in the U.S. for payroll and general spend programs.

KEY STATISTICS

Price as of 4/25/12	\$0.05
52 Wk High – Low	\$0.25 – 0.0264
Est. Shares Outstanding	83.4M
Market Capitalization	\$4.2M
3 Mo Avg Vol	23,000
Exchange	OTC:PK

COMPANY INFORMATION

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www.globalpayout.com
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INVESTMENT HIGHLIGHTS

Global Payout, Inc. is at the forefront of the huge domestic and international prepaid debit card industry. While some estimates place the U.S. market size at \$1 trillion dollars, VISA has noted that the global prepaid debit card market could be as high as \$3 trillion.

In the U.S. alone an estimated 29% of Americans are either unbanked or underbanked. According to surveys conducted by the Rand Corporation and the FDIC, there are 48 million unbanked consumers in the U.S. and 43 million underbanked. Additionally, estimates suggest that over \$13 billion is spent on alternative financial transactions such as check-cashing centers in the U.S. each year, highlighting the huge market opportunity as these consumers transition into prepaid debit card use.

Global Payout is positioned as the go-to source for domestic and international prepaid debit and eWallet programs. GOHE's business model, management expertise, and strategic partners provide it significant advantages over other U.S.-based and foreign players. One of the key features is the soon-to-be-released eWallet, which serves as a virtual bank account for users.

Revenue should jump by leaps and bounds over the next 2 years as GOHE's sought-after prepaid debit and payment programs are deployed in the U.S. and abroad. We estimate that revenue will be \$5.7M in FY13, up from an estimated \$1M in FY12, with operating profit of \$1.2M as compared with a loss for 2012.

As milestone events occur in mid-2012, we believe that this low-float stock could easily reach \$0.16, which is in line with the valuation afforded its peer group. Plus, with a first-mover advantage abroad, we believe that GOHE could emerge as an attractive M&A target. Looking ahead, as GOHE reaches its financial milestones the stock could reach the \$0.20 – \$0.25 range in 2013, which would still represent a very favorable valuation compared to its peer group. Thus, we rate these shares Speculative Buy.

GLOBAL PAYOUT, INC. (OTC:PK - GOHE)

COMPANY OVERVIEW

Tracing its roots to 2009, Global Payout, Inc. is a payment solutions provider offering U.S. and international companies electronic payment and pre-paid debit solutions. While there are a number of companies that perform various functions and target specific markets, we believe that given the management team's expertise and experience, Global Payout is best positioned for the greatest success.

Initially, Global Payout began operations as a business-to-business provider of U.S. pre-paid debit cards for payroll and general spend programs under the MasterCard®, Visa® and Discover® identities. However, during 2011, management switched gears electing to leverage its expertise and experience in the industry by playing the role of quarterback on behalf of corporations and marketing organizations requiring custom stored value and worldwide payments solutions via an electronic wallet.

Management recognized that the market lacked a real platform that offered a new solution for large companies with an international presence in need of a global-capable payment system. Shifting to this new, innovative approach has positioned Global Payout with a first-mover advantage in a high-growth and more profitable segment of the market. Importantly, this strategy differs from those firms participating and competing in the traditional business and consumer provider role in a crowded space lacking differentiation.

As a result, Global Payout has emerged as a high-value, cost-effective designer and provider of electronic payment and prepaid debit card solutions on a global basis.

To execute its business model, Global Payout has partnered with some of the most important firms in the electronic payment and prepaid debit solutions market. Through its relationship with Tyburn Group, Inc., GOHE offers its customers prepaid debit card processing and program management under the MasterCard® identity and also offers these services under the Discover® identity through its affiliation with Expert Financial Systems, LLC (EFS). As illustrated in the images below, pre-paid cards can be branded with company logos or co-branded with Global Payout as well.



Image I. Sample Custom Card (Discover®)
Source: Global Payout, Inc.



Image II. Sample Custom Card (Mastercard®)
Source: Global Payout, Inc.

Global Payout custom solutions can be used for by companies and their employees for payroll as well as general spend programs. Global Payout's international solutions offer an innovative and unique payment platform allowing accountholders to move money to personal bank accounts in over 200 countries. In addition, the Company offers U.S. and international debit cards, enabling accountholders without bank accounts to access funds worldwide. In the second half of 2012 the Company will roll out its innovative eWallet platform, which targets international customers. Via a partnership with a non-U.S. domiciled bank, this platform will enable GOHE's multinational customers to pay its foreign workers efficiently and cost-effectively. Workers that utilize the platform will enjoy unrivaled convenience and ease-of-use features.

The eWallet platform leverages international banking relationships to provide a single portal to manage all payments for customers whether made locally or globally. It also provides the recipient of those payments with a flexible system that can move funds to their own bank account, a Visa or MasterCard prepaid/credit card, to another account or back to the payer for purchases, recurring fees, or reimbursements. Once launched, the eWallet platform will position the Company in a market that has limited competition, produces higher margins, and with an offering that could emerge as the international payment solution of choice for customers with foreign workers due to its architecture and numerous benefits to its sponsors and cardholders.

Company Report

The Global Payout Revenue Model

Global Payout generates one-time and recurring revenue from the start of a project and throughout its implementation. While sales and implementation cycles times vary due to a variety of factors from the customer side to processors and others, we envision the typical sales and implementation cycle to run at least 6-9 months, conservatively. The timing of cardholder penetration activation varies as well, which impacts the start and magnitude of the recurring revenue stream.

Once a project is started, the Company is paid an initial fee which covers some of the early program design, management and related services. GOHE also receives a one-time fee per card which is assessed to the user once a card is loaded with funds. Finally, as the customer's users engage the process and keep the card active by loading funds, GOHE receives a revenue share (along with processors) of the monthly maintenance fee as well as a percentage of the fees associated with certain transaction. Thus, the revenue model consists of one-time fees and recurring monthly for each revenue active card.

The Company generates business and signs up customers through management's many years of experience and relationships with key service providers, customers, engaging Web and telemarketing, and through 3rd party marketers and sales agents in the space.

THE PREPAID DEBIT AND PAYMENTS MARKET

Some investors may have familiarity with the notion of prepaid debit cards, or stored value via cards awarded by financial institutions or through online and bricks and mortar offerings. These types of cards are called closed loop as they represent gifts or promotions.

The primary target market of open loop debit cards in the U.S. is the surprisingly large swath of consumers who are considered to be unbanked or underbanked. Unbanked reflects those without bank accounts while underbanked refers to consumers with limited activity. The combination of a poor economy and the rise of foreign (especially Hispanic) workers have played a role in the large totals. Open loop cards that have compensation loaded onto them can be used in lieu of checks by employers is one example of a current prepaid debit card application. Cards can also be used by consumers for general spending items as long as funds are loaded onto the cards.

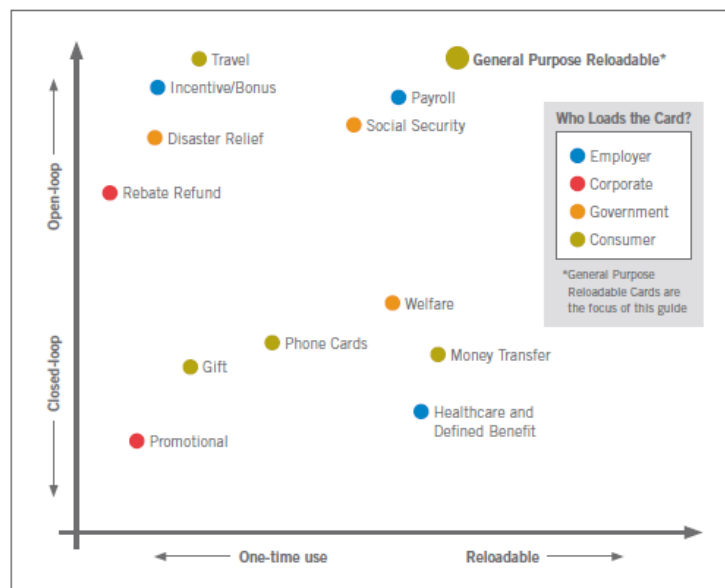


Image III. Types of Stored Value Cards

Source: Global Payout, Inc.

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In the U.S. alone an estimated 29% of Americans are either unbanked or underbanked. According to surveys conducted by the Rand Corporation and the FDIC, there are 48 million unbanked consumers in the U.S. and 43 million underbanked. Additionally, estimates suggest that over \$13 billion is spent on alternative financial transactions such as check-cashing centers in the U.S. each year, highlighting the huge market opportunity as these consumers transition into prepaid debit card use, which is a less expensive and much more convenient option. These cards act like debit cards associated provided by banks to traditional account holders. Money is loaded via direct deposit or other methods, and the account is managed and money spent by the cardholder.

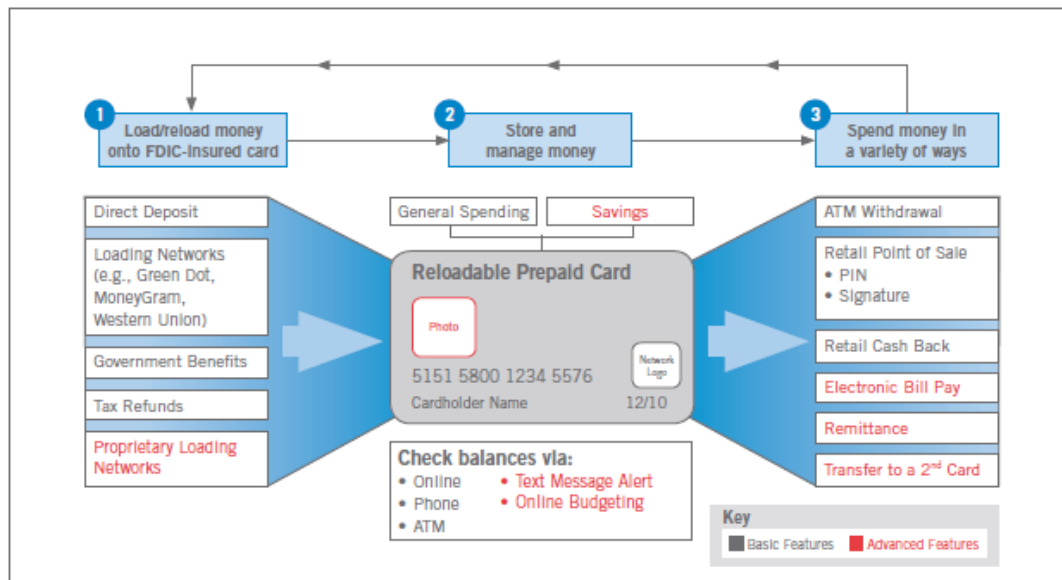


Image IV. The Stored Value Cycle
Source: Global Payout, Inc.

There are a ton of companies that play in this arena as the barriers to entry are fairly low. Some of the major players include Netspend Holdings, Inc. (NASDAQ – NTSP - \$), HyperWallet, Global Cash Card, and Payoneer. Other publicly traded comparables in this space are smaller firms such as Trycera Financial (OTCBB – TRYF - \$) and PrepaYd, Inc. (OTCPK – PPDC). NTSP is considered one of the 800-pound gorillas in the group and it focuses its attention on the underbanked with heavy, targeted marketing to the consumer. While the Company has generated a substantial number of active cards, the nature of the underbanked consumer market is characterized by inconsistent use of these cards ranging from occasional loading of funds to inactivity altogether. Global, Trycera and PrepaYd have similar marketing and business model tactics but also support, to a degree, companies seeking to use prepaid debit cards as an alternative or a replacement for payroll checks.

Global Payout's eWallet Mechanics

With its international offering, U.S. non-U.S. citizens living and working in the States can easily send money abroad with the Global Payout platform. By providing custom programs in the U.S. with very competitive fees and a wide menu of features, the Global Payout team quarterbacks the process from start to finish which ensures program success. Still, the international program is where GOHE can offer unrivaled solutions. With its international eWallet platform, companies control payments, save money on payroll processing, and segregate currencies thus eliminating currency exchange transactions. The employee/contractor/constituent enjoys receipt of funds into a virtual account which can be moved to banks in the U.S. or internationally, as well as utilize funds transfer, web and mobile banking access.

Company Report**COMPETITIVE ADVANTAGES**

Global Payout has a number of advantages over other prepaid debit and payments providers. In addition, management has built an effective, powerful international platform that should serve as a barrier to growth for smaller firms and a barrier to entry for new companies.

- Most firms in the space generate business through U.S. payroll prepaid debit plans directly target the unbanked and underbanked using a shotgun approach in a crowded field. GOHE's offerings are tailored to the needs of multinationals which can enjoy a custom or off-the-shelf program.
- Once fully implemented, GOHE's international *eWallet* payments platform will have first-mover advantage due to its business model architecture, key partners, as well as efficient, cost-effective, and convenient features and benefits for all parties.
- Management has demonstrated success in other business ventures, including the payments arena and therefore its expertise is a hidden asset.
- The Firm's model likely carries meaningfully higher margins than those enjoyed by its competitors and offers solutions tailored to fill needs in its customers' key sub-segments such as 1099 employees.
- Some of the household names in the market cannot and do not compete directly in the U.S. and international arenas, whereas Global Payout has a strong presence in both markets.
- The GOHE model can be replicated in multiple countries all over the world, which broadens the Firm's reach and revenue potential.

RISK FACTORS

In our view, GOHE's biggest risk is execution risk in the international markets. Customer churn, card inactivity and implementation delays remain ongoing risks for GOHE and all of the companies in this arena. However, the Company has already secured important relationships in the space which should help it overcome issues that might be more problematic for other firms. Execution risks noted above could push meaningful revenue generation out to a later date, or result in a smaller initial ramp, thus impacting revenue and product sales/recurring revenue goals. Slower sales penetration as a result of competition from larger firms or even from newer entrants is a typical concern and is also consistent with firms of GOHE's size and standing. Finally, GOHE operates in a highly regulated environment and any new regulations that impair the Firm's ability to succeed remain an unlikely, but possible concern down the road.

MANAGEMENT

The senior GOHE management team members have a tremendous amount of experience in the financial services and payments industry and have led organizations of varying sizes, which puts them in a unique class, relative to most of the players in the field.

James L. Hancock - Chief Executive Officer

Jim Hancock has held a variety of senior management, sales and investment banking positions since commencing his business career in 1978. After his graduation from law school, he represented an investment group that purchased ECM Products. As Vice President of Finance, Mr. Hancock handled the day-to-day operations, successfully leading the turnaround of this pressure vessel manufacturer. In 1979, Mr. Hancock was appointed President and CEO and directed the company until the investment group sold its interest in 1982.

After serving as Vice President of Sales and Marketing for Resources International, an oil and gas drilling company in Newport Beach, CA, Mr. Hancock formed his own investment management company in 1983. As CEO of Partner Management Company, Del Mar, CA, Mr. Hancock created investment partnerships and joint ventures for natural gas drilling and real estate. Under Mr. Hancock's direction, Partner Management successfully raised and managed over \$25 million of invested funds creating an average rate of return of 12% annually.

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From 1988 to 1991, Mr. Hancock was President of American Comtel Corporation, a telecommunications management company. During Mr. Hancock's tenure, he procured and managed a nationwide government contract valued at \$28 million. From 1992 to 1998, Mr. Hancock served as a private investment banker and consultant to companies in developing sales and marketing strategies. In 1998, Mr. Hancock became a Principal of Shoreline Partners, LLC, a middle market merger and acquisition company located in San Diego, CA.

After leaving Shoreline Partners in 2001, Mr. Hancock was appointed Chief Operating Officer and a Board of Director of Global Links Corp., a publicly held company. The electronic debit card business of Global Links became private in January 2003 and formed an equity venture with Electronic Exchange Systems. In August 2003, Mr. Hancock assisted in forming an equity partnership with Electronic Exchange Systems and Global Links Corp. into PayCard Corporation and developed a sales and marketing plan for its payroll debit card program. In 2004, Mr. Hancock was named Chief Operating Officer of Global Links Card Services, a subsidiary of Global Links Corp., where he launched and operated a prepaid Visa and MasterCard program, branded as FastMax Rewards. While with Global Links, Mr. Hancock launched 32 custom-designed prepaid debit card programs through MetaBank, Sioux Falls, SD.

In 2007, Mr. Hancock was hired by Continuum Payment Solutions, Inc. an international payment processor, as Director of Business Development. He was responsible for integrating new multi-national companies with virtual payment and Visa/MasterCard payout solutions. In 2008, Jim became Chief Financial Officer of Club Vivanet, Inc., an international marketing company and operated their payment and acquiring division.

In 2009, Jim launched Global Payout, Inc. to offer management consultant services in prepaid debit cards and electronic wallet products. Global Payout specializes in managing the launch of custom designed debit cards for marketing and affinity organizations in the U.S. In addition, Global Payout is developing an international payout platform (eWallet) and an international debit card ready for distribution in mid-2012.

Mr. Hancock earned a Juris Doctorate from California School of Law, San Diego, CA and a Bachelors of Business Administration from Southern Methodist University. Jim served in the Armed Forces and was honorably discharged from the U.S. Army in 1972 holding the rank of E-5.

Joseph Michael Sebo – Chief Financial Officer

A Certified Financial Planner (CFP) since 1986, Mr. Sebo was first registered as a stock broker in 1973. He currently holds a General Securities Series 7 License, a Registered Principal Series 24 License, and Registered Investor Advisor Associate Series 65, as well as a Series 63; and a California Life Insurance License (number 0719759) since 1976.

Past experience includes 14 years with New York Stock Exchange Member firms E.F. Hutton, as well as Prudential-Bache Securities. At E.F. Hutton, Joe Sebo was an assistant manager of a 30-person office and was also training supervisor, training registered representatives and Prudential insurance agents, and later with the Prudential-Bache Brokerage Alliance Program he established a satellite securities office at the Bank of La Costa.

His personal investment experience and experience with his clients include stocks, bonds, exchange traded funds (ETF's), mutual funds, closed-end funds, commodities (gold, silver, pork bellies, live cattle, sugar and lumber); limited partnerships including commercial and residential real estate, motion pictures, oil and natural gas; and, Private Placement experience including real estate, live cattle feeding operations, airline passenger jets, RFID (Radio Frequency Identification), and trash recycling.

Mr. Sebo's clients have included individuals from all walks and stages of life, business owners of many different types of businesses and corporate clients. In his practice he consults with estate planning attorneys, accounting and tax specialists, securities attorneys, life insurance agents, retirement planners and investment bankers.

He is currently registered with R.W. Towt & Associates, a FINRA broker dealer. Under FINRA restrictions and as Global Payout's **Chief Financial Officer**, he may not advise or transact for clients in regards to Global Payout, Inc. stock.

Joe is a graduate of the U.S. Army N.C.O., school at Fort Benning, Georgia; afterward he served in Vietnam in reconnaissance and received two Bronze Stars. The Bronze Star Medal is awarded for 'heroic or meritorious achievement or service.'

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William Rochfort – Executive Vice President, Sales & Marketing

Bill Rochfort has over 25 years of experience that includes executive leadership roles building and growing top-end sales and technical support organizations in network services, SaaS applications, outsourced business services, and professional services. The field environment covered a broad range of national start-ups to global concerns. As Executive Vice-President of Sales and Marketing for Global Payout, Bill is responsible for building and supporting a network of international distributors, master agents, channel partners, and VARS to accelerate the expansion of global sales.

Firms that Bill has directly supported include - Premiere Global Services, Intermedia Communications, Sprint Corporation, Cbeyond and San Diego Gas and Electric Company. Bill was a corporate officer with Intermedia (\$1.0B annual revenues) with over 350 direct sales and technical support personnel, and with responsibilities encompassing monthly sales quota for multidiscipline sales environment exceeding \$200 million in annual revenue. This included sales responsibility for F100 accounts with international operations. Bill is also a Principal with Realistic Solutions for evaluating wireless healthcare opportunities.

Additionally, Bill has acquired significant global sales, marketing and operational experience in new and established markets for direct, indirect (channel partners), and government divisions. He has extensive experience in developing and managing National Account prospects through strategic account management processes and new technology product development.

Throughout his career, he has received multiple field promotions from National Account Manager to Executive Vice-President. Bill has an MA in Business Economics from University of California at Santa Barbara.

Gil Hooper, Director of Board, Senior Vice President

Gil Hooper was appointed to the Board of Directors in October 2011 and is a Senior Vice-President for Global Payout. Mr. Hooper, an international payments sales and marketing professional, brings with him an extensive resume including international banking, debit card issuing and processing, eWallet systems, cross border remittance and mobile payment applications. He is currently the CEO of *Boundless Payment Solutions, Inc.* and the Managing Partner of *3G Consulting*, both financial systems companies headquartered in San Diego but operating globally. He also is a co-founder and principal partner in a lending organization headquartered in Mexico City called *Mi Adelanto* and, through the 3G organization, an issuer of debit cards throughout Mexico. He has offices in San Diego, Mexico City and London.

During the early 90's, Mr. Hooper saw an opportunity evolving with a very large and underserved group of consumers in the U.S. and worked with the issuing banks and with Visa® and MasterCard® to develop and process one of the first prepaid debit card programs aimed at the under-banked and disenfranchised within the U.S. market. The prepaid debit card market has since evolved to become a global alternative banking source with millions of users around the world. Mr. Hooper currently advises many of today's leaders in the banking, debit card and the evolving mobile payments industries. He previously held positions with other electronic & global payment platforms, including M2 Systems from 2004 through 2008.

Gil has an MBA from the Northwestern University, Kellogg School of Management.

FINANCIALS

As noted above, with a number of variables associated with this segment of the payments industry, it is difficult to accurately forecast the timing of project implementation, as well as the timing and magnitude of card activation, which ultimately affects GOHE's actual results. As a result, our forecasts largely reflect the mid-point of an estimated range of active cards in the marketplace during a given period. For example, our current estimates for the first half of 2012 reflect what we refer to as project revenue which includes one-time implementation fees. However, revenue for the second half of the year includes project revenue as well as transaction-related, recurring revenue from active cardholders.

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We currently forecast in our model (found at the end of this report) that the Company's first meaningful transaction revenue will be recorded in 3Q12, with 12,000 – 18,000 active cardholders on board. For the full-year, our projections call for \$975,000 in total revenue (project and transaction revenue) and that GOHE will end 2012 with 30,000 – 50,000 active cardholders. Using this figure as a base our top-line forecast represents the mid-point of this range and uses a monthly per card revenue assumption of around \$5.00. At present, we expect that project and transaction revenue will be almost evenly split for 2012.

Keys to gross and operating profitability remain the mix of domestic versus international cards, which carry higher the highest margins. We have elected to keep gross margin essentially flat to allow for upside surprises in gross profitability as international market penetration occurs.

Investors should expect that 2013 is the first year of meaningful market penetration and associated revenue generation. We currently forecast active cardholders by the end of 2013 to range from 120,000 – 150,000, which is a huge increase from 2012 levels. Revenue of \$5.7M and operating profit of \$1.2M is presently modeled, along with EPS of \$0.01. If management is able to execute its model, we deem it possible that revenue could nearly double in 2014 with substantial net profit.

VALUATION AND CONCLUSION

In our view, GOHE is trading at a ridiculous discount to its publicly traded peer group. Netspend, the leader in the space, currently trades 1.6x Street revenue estimates for 2013 and 11x the 2013 EPS forecast. The other two firms in the peer group, TRYF and PPDC, have market capitalizations considerably higher than GOHE. However, TRYF is not generating any real revenue yet from the payments arena, as it has adjusted its attention on financial literacy, with a small notable arrangement with Family Dollar Stores (NYSE – FDO). GOHE also engages in financial education and literacy as part of its overall effort and has successfully converted these initiatives into revenue-generating clients. PPDC also has a presence in payroll prepaid cards as well as in the mobile communications payments space.

We should note that both of these firms have not filed timely financial information and TRYF in particular trades at a substantial volume compared to GOHE, which we believe is due to the FDO relationship. Nonetheless, we believe that GOHE, should at worst be afforded a valuation close to TRYF, which is generating some revenue, although does not offer the investment prospects or advantages of GOHE. At \$0.16 per share, GOHE would trade at a slight premium to TRYF and in line with the valuation afforded NTSP.

As investors are introduced to the GOHE story, we believe that the stock, which has only 8M shares in the public float, could double before the end of Q2. As milestone events occur in mid-2012, we believe that this low-float stock could easily reach \$0.12, which is in line with the valuation afforded its peer group. Plus, with its first-mover advantage abroad, we believe that GOHE could emerge as an attractive M&A target. Looking ahead, as GOHE reaches its financial milestones and targets, the stock could reach the \$0.20 – \$0.25 range in 2013, which would still represent a very favorable valuation compared to its peer group. Thus, we rate these shares Speculative Buy.

Table I. Peer Group Valuation

Global Payout, Inc. Peer Group Valuation					
Company	Symbol	Price	Mkt Cap (\$, mil)	Price/FY13 Rev	Price/FYE13 EPS
NetSpend	NTSP	\$7.14	\$620.0	1.6	11.3
Trycera Financial	TRYF	\$0.02	\$10.7	N/A	N/A
PrepaYd, Inc.	PPDC	\$0.03	\$13.7	N/A	N/A
Global Payout	GOHE	\$0.05	\$2.8	0.6	5
Global Payout	GOHE	\$0.16	\$8.3	2.2	16

Source: Goldman Small Cap Research

Company Report
Table II. Projected Income Statement

Global Payout, Inc. Projected Income Statement											
	<u>FY11A</u>	<u>1Q12E</u>	<u>2Q12E</u>	<u>3Q12E</u>	<u>4Q12E</u>	<u>FY12E</u>	<u>1Q13E</u>	<u>2Q13E</u>	<u>3Q13E</u>	<u>4Q13E</u>	<u>FY13E</u>
Project Revenue	\$60,993	\$30,000	\$200,000	\$85,000	\$127,500	\$442,500	\$151,250	\$195,000	\$250,000	\$330,000	\$926,250
Transaction Revenue				\$123,750	\$408,750	\$532,500	\$693,750	\$978,750	\$1,342,500	\$1,807,500	\$4,822,500
Total Revenue	\$60,993	\$30,000	\$200,000	\$208,750	\$536,250	\$975,000	\$845,000	\$1,173,750	\$1,592,500	\$2,137,500	\$5,748,750
Cost of Sales	\$26,250	\$22,000	\$120,000	\$125,250	\$321,750	\$611,000	\$507,000	\$704,250	\$955,500	\$1,282,500	\$3,449,250
Gross Profit (Loss)	\$34,743	\$8,000	\$80,000	\$83,500	\$214,500	\$364,000	\$338,000	\$469,500	\$637,000	\$855,000	\$2,299,500
Operating Exp											
SG&A	\$428,532	\$120,000	\$120,000	\$135,000	\$175,000	\$710,000	\$225,000	\$260,000	\$300,000	\$340,000	\$1,125,000
Operating Inc (Loss)	(\$393,789)	(\$112,000)	(\$40,000)	(\$51,500)	\$39,500	(\$346,000)	(\$100)	\$209,500	\$337,000	\$515,000	\$1,174,500
Other Exp/Loss (Inc)	\$48,316	\$15,000	\$15,000	\$15,000	\$15,000	\$75,000	\$20,000	\$25,000	\$25,000	\$30,000	\$100,000
Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000	\$150,000
Net Income (Loss)	(\$442,105)	(\$127,000)	(\$55,000)	(\$66,500)	\$24,500	(\$421,000)	(\$100)	\$184,500	\$312,000	\$335,100	\$924,600
Net Inc/(Loss) per Share	(\$0.01)	(\$0.00)	(\$0.00)	(\$0.00)	\$0.00	(\$0.01)	(\$0.00)	\$0.00	\$0.00	\$0.00	\$0.01
Est. Shares Outstanding	69,400	83,400	84,000	84,500	85,000	81,260	86,000	87,000	88,000	89,000	87,500

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Analyst: Robert Goldman

Rob Goldman has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

Analyst Certification

I, Robert Goldman, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.

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