

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between: Gladstone Wood, Claimant v. Hampton-Porter
Investment Bankers and David C. Adams, Respondents

Case Number: 00-005373

Hearing Site: San Francisco, California

REPRESENTATION OF PARTIES

For Claimant:

Timothy A. Canning
Law Offices of Timothy Canning
Novato, California

Appearing at the hearing:
Richard Sacks
Investors Recovery Service
Novato, California

For Respondent David C. Adams:

David C. Adams
In Pro Per
San Diego, California

For Respondent Hampton-Porter Investment Bankers:

Gregory DuBois Walker
Hampton-Porter Investment
Bankers
San Diego, California

CASE INFORMATION

Statement of Claim filed: December 1, 2000

Claimant's Uniform Submission Agreement signed: November 28, 2000

Statement of Answer filed by Respondent Hampton-Porter: January 26, 2001

Respondent Hampton-Porter's Uniform Submission Agreement signed: January 26, 2001

Statement of Answer filed by Respondent David Adams: January 24, 2001

Respondent David Adams' Uniform Submission Agreement signed: January 24, 2001

CASE SUMMARY

Claimant alleged breach of contract, breach of fiduciary duty, fraud, negligence and failure to supervise in regard to investments made through respondent Hampton-Porter beginning around March 1999.

Respondent Hampton-Porter denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

Respondent David Adams denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$30,000.00 in actual damages as well as an unspecified amount of punitive damages.

Respondent Hampton-Porter requested dismissal of the Claimant's Statement of Claim in its entirety.

Respondent David Adams requested dismissal of the Claimant's Statement of Claim in its entirety and requested an expungement of any record of this arbitration matter from his securities license.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Hampton-Porter's Failure to Appear at Hearing

Respondent Hampton-Porter did not appear at the arbitration hearing but is required to submit to arbitration pursuant to the Code and, having answered the claim and filed with the NASD Dispute Resolution, Inc. a properly executed submission agreement, is bound by the determination of the Panel on all issues submitted.

Respondent David Adams' Prehearing Motions

On October 3, 2001, respondent David Adams filed a prehearing "Request for Testimonial via Teleconference." The Panel denied Mr. Adams' Request. On October 12, 2001, Mr. Adams also filed a prehearing "Motion for Dismissal from Hearing." The Panel denied Mr. Adams' Motion

and ordered his appearance at the arbitration hearing.

Execution of the Award

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's claim against respondent David Adams is dismissed with prejudice
- 2) Claimant is awarded a default judgment against respondent Hampton-Porter Investment Bankers for Hampton-Porter's failure to appear at the hearing. Accordingly, respondent Hampton-Porter shall pay \$30,000.00, plus interest, to Claimant upon Claimant tendering AMMI two-year 10% Convertible Debenture to Hampton-Porter. Pre-Award interest is awarded at a rate of 7% for the time from July 15, 1999 until October 22, 2001. Post-Award interest is awarded at a rate of 10% per annum from October 22, 2001 until the Award is paid in full.
- 3) Sanction of \$1000.00 is imposed against respondent Hampton-Porter for failure to appear at the arbitration hearing. The sanction shall be paid by respondent Hampton-Porter to Claimant.
- 4) Each party shall bear its own costs, including attorney's fees. Claimant shall also bear the cost of respondent David Adams' airfare to and from the hearing.
- 5) All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 150.00
--------------------------	-------------

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events which gave rise to the dispute, claim,

or controversy. Accordingly, the member firm Hampton-Porter Investment Bankers is a party and the following fees are assessed:

Member Surcharge	= \$ 600.00
Pre-Hearing Process Fee	= \$ 600.00
Hearing Process Fee	= \$1,000.00
Total Member Fees	= \$2,200.00

Adjournment Fees

The following adjournment fees are assessed:

No adjournment fees were incurred in this matter.

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

(1) Pre-hearing conference session with a single arbitrator @ \$ 450.00/session	= \$ 450.00
Pre-hearing conference: September 24, 2001 1 session	
(1) Pre-hearing conference session with the Panel @ \$600.00/session	= \$ 600.00
Pre-hearing conference: July 16, 2001 1 session	
(2) Hearing sessions @ \$600.00/session	= \$ 1,200.00
Hearing: October 22, 2001 2 sessions	
Total Forum Fees	= \$ 2,250.00

The Panel assessed \$ 2,250.00 of the forum fees to Hampton-Porter Investment Bankers.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and other requests.

No additional administrative costs were incurred in this matter.

Fee Summary

NASD Dispute Resolution, Inc.

Arbitration No. 00-05373

Award Page 5 of 6

1. Claimant, Gladstone Wood, is charged with the following fees and costs:

Initial Filing Fee	= \$ 150.00
<u>Less Payments</u>	<u>= \$ (750.00)</u>
Refund Due Claimant	= \$ (600.00)

2. Respondent, Hampton-Porter Investment Bankers, is charged with the following fees and costs:

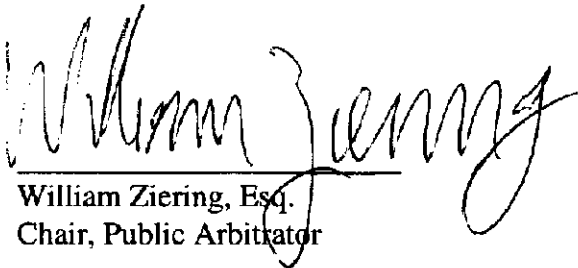
Member Fees	= \$ 2,200.00
<u>Forum Fees</u>	<u>= \$ 2,250.00</u>
Total Fees	= \$ 4,450.00
<u>Less Payments</u>	<u>= \$ (0.00)</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 4,450.00

All balances are payable to NASD Dispute Resolution, Inc. and are payable upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

William Ziering, Esq.	-	Public Arbitrator, Presiding Chair
Carl B. Noelke, Esq.	-	Public Arbitrator
William S. Mailliard, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



William Ziering, Esq.
Chair, Public Arbitrator

11-5-01

Signature Date

Carl B. Noelke, Esq.
Public Arbitrator

Signature Date

William S. Mailliard, Esq.
Industry/Non-Public Arbitrator

Signature Date

Date Served:

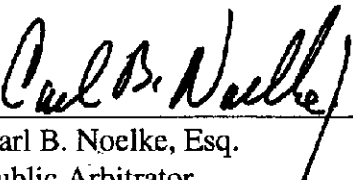
NOV 7 2001

Date of Service

Concurring Arbitrators' Signatures

William Ziering, Esq.
Chair, Public Arbitrator

Signature Date



Carl B. Noelke, Esq.
Public Arbitrator



Signature Date

William S. Mailliard, Esq.
Industry/Non-Public Arbitrator

Signature Date

Date Served:
NOV 7 2001

Date of Service

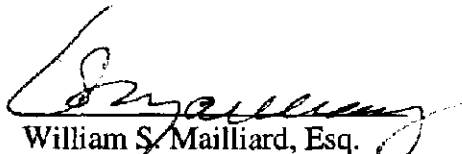
Concurring Arbitrators' Signatures

William Ziering, Esq.
Chair, Public Arbitrator

Signature Date

Carl B. Noelke, Esq.
Public Arbitrator

Signature Date



William S. Mailliard, Esq.
Industry Non-Public Arbitrator



Signature Date

Date Served:

NOV 7 2001

Date of Service