

Edgar Filing: PARTSBASE INC - Form SC 13E3/A

PARTSBASE INC  
Form SC 13E3/A  
January 21, 2003

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

AMENDMENT NO. 2 TO  
SCHEDULE 13E-3

TRANSACTION STATEMENT UNDER SECTION 13(e)  
OF THE SECURITIES EXCHANGE ACT OF 1934 AND RULE 13e-3 THEREUNDER

PARTSBASE, INC.

-----  
(Name of the Issuer)

PARTSBASE, INC.  
ROBERT A. HAMMOND, JR.  
HAMMOND I, INC.  
HAMMOND ACQUISITION CORP.

-----  
(Name of Person (s) Filing Statement)

COMMON STOCK, PAR VALUE \$0.001 PER SHARE

-----  
(Title of Class of Securities)

70214P 109

-----  
(CUSIP Number of Class of Securities)

Robert A. Hammond, Jr.  
CEO of Hammond I, Inc. and  
Hammond Acquisition Corp.  
905 Clint Moore Road  
Boca Raton, Florida 33487  
(561) 953-0700

Mark J. Weicher  
CFO of PartsBase, Inc.  
905 Clint Moore Road  
Boca Raton, Florida 33487  
(561) 953-0700

-----  
(Name, Address and Telephone Numbers of Persons Authorized to Receive  
Notices and Communications on Behalf of Person(s) Filing Statement)

With copies to:

Charles J. Rennert, Esq.		Joel Mayersohn
Berman Rennert Vogel & Mandler, P.A.		Adorno & Yoss, P.A.
100 SE Second Street		200 East Las Olas Blvd.
Suite 3500		Suite 1700
Miami, Florida 33131		Ft. Lauderdale, Florida 33301
(305) 577-4171		(954) 763-1200

This statement is filed in connection with (check the appropriate box):

- a.  The filing of solicitation materials or an information statement subject to Regulation 14A, Regulation 14C or Rule 13e-3(c) under the Securities Exchange Act of 1934.
- b.  The filing of a registration statement under the Securities Act of 1933.
- c.  A tender offer.
- d.  None of the above.

Check the following box if the soliciting materials or information statement

Edgar Filing: PARTSBASE INC - Form SC 13E3/A

referred to in checking box (a) are preliminary copies: [X]

i

Check the following box if the filing is a final amendment reporting the results of the transaction: [ ]

Transaction Valuation*	Amount of Filing Fee**
-----	-----
\$7,542,153	\$1,507

-----

\* Based upon (a) the product of 5,022,302 shares of common stock and the merger consideration of \$1.50 per share, or \$7,533,453, and (b) the product of of the options to purchase 10,000 shares of common stock and the merger consideration of \$1.50 per share, less the applicable exercise price per share, or \$8,700.

\*\* The filing fee, calculated in accordance with Rule 0-11(b) of the Securities Exchange Act of 1934, equals 1/50 of 1% of the transaction valuation.

[X] Check the box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a) (2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$1,507  
 Form or Registration No.: Schedule 14A  
 Filing Party: PartsBase, Inc.  
 Date Filed: January 21, 2003

Neither the Securities and Exchange Commission nor any state securities commission has: (i) approved or disapproved of the acquisition of PartsBase, Inc. by Hammond I, Inc.; (ii) passed on the merits or fairness of the acquisition or (iii) passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.

ii

SECTION 13E-3 TRANSACTION STATEMENT

INTRODUCTION

This Amendment No. 2 to Rule 13e-3 transaction statement on Schedule 13E-3 (this "Schedule 13E-3") is being filed with the Securities and Exchange Commission (the "Commission") by PartsBase, Inc., a Delaware corporation ("PRTS"), Hammond I, Inc., a Florida corporation ("Hammond I"), Robert A. Hammond, Jr., and Hammond Acquisition Corp., a Delaware corporation ("HAC"). Each of PRTS, Hammond I, HAC and Mr. Hammond are referred to individually, as a "Filing Person" and collectively, as the "Filing Persons." Hammond I, HAC, Mr. Hammond, R. Hammond, L.P. and any other person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, Hammond I, HAC, or Mr. Hammond, is referred to as the "Acquisition Group".

Pursuant to an Agreement and Plan of Merger dated as of August 26, 2002 (the "Merger Agreement"), by and among Mr. Hammond, Hammond I, HAC and PRTS, HAC will merge into PRTS (the "Merger"). As a result of the Merger, each outstanding

## Edgar Filing: PARTSBASE INC - Form SC 13E3/A

share of PRTS common stock, par value \$0.001 per share, will be cancelled and converted into the right to receive \$1.50 in cash, other than any outstanding shares of common stock held by stockholders who perfect their appraisal rights under Delaware law or any outstanding shares of common stock beneficially owned by a Filing Person or the Acquisition Group. After the Merger, PRTS will be a privately held corporation, 100% of which will be beneficially owned by Mr. Hammond.

Concurrently with the filing of this Schedule 13E-3, PRTS is filing a preliminary proxy statement (the "Proxy Statement") pursuant to Section 14A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), pursuant to which the PRTS board of directors is soliciting proxies from holders of outstanding shares of Common Stock in connection with the Merger. The cross reference sheet below is being supplied pursuant to General Instruction F to Schedule 13E-3 and shows the location in the Proxy Statement of the information required to be included in response to the Items of this Schedule 13E-3. The information set forth in the Proxy Statement including all appendices thereto, is hereby incorporated herein by reference and the responses to each Item in this Schedule 13E-3 are qualified in their entirety by the information contained in the Proxy Statement and the appendices thereto.

### ITEM 1. SUMMARY TERM SHEET. REGULATION M-A ITEM 1001

The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER

### ITEM 2. SUBJECT COMPANY INFORMATION. REGULATION M-A ITEM 1002

- (a) Name and Address of the Subject Company. PRTS is the subject company. The information set forth in the Proxy Statement under the caption "THE PARTIES TO THE MERGER" is incorporated herein by reference.

1

- (b) Securities. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

THE SPECIAL MEETING - RECORD Date, Outstanding Voting Securities and  
Voting Rights  
THE SPECIAL MEETING - Required Votes  
MARKETS AND MARKET PRICE  
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

- (c) Trading Market and Price. The information set forth in the Proxy Statement under the caption "MARKETS AND MARKET PRICE" is incorporated herein by reference.

- (d) Dividends. The information set forth in the Proxy Statement under the caption "MARKETS AND MARKET PRICE" is incorporated herein by reference.

- (e) Prior Public Offerings. On March 22, 2000, PRTS completed its Initial Public Offering ("IPO"), whereby it sold 3,500,000 shares of its

Edgar Filing: PARTSBASE INC - Form SC 13E3/A

common stock at an offering price of \$13.00 per share. Proceeds before expenses to PRTS amounted to \$42,315,000. As part of the IPO, Convertible Notes Payable of PRTS aggregating \$962,500 and 855,000 outstanding shares of preferred stock were converted to 481,250 and 855,000 shares, respectively, of common stock.

(f) Prior Stock Purchases. The information set forth in the Proxy Statement under the caption "SPECIAL FACTORS-Certain Effects of the Merger" is incorporated herein by reference.

ITEM 3. IDENTITY AND BACKGROUND OF FILING PERSON.  
REGULATION M-A ITEM 1003

(a)-(c) Name and Address of Filing Persons; Business and Background of Entities and Natural Persons. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

THE PARTIES TO THE MERGER  
SPECIAL FACTORS - Interests of Certain Persons in the Merger  
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Directors and Executive Officers of PRTS. Set forth in the table below are the name, address, present principal occupation or employment, name of any corporation or other organization in which such occupation or employment is conducted, and the five year employment history of each of the directors and executive officers of PRTS. Each person identified below is a United States citizen. Unless indicated otherwise, each person's principal address and telephone number are 905 Clint Moore Road, Boca Raton, Florida 33487, (561) 953-0700.

Name	Present Principal Occupation or Employment and Material Positions Held During the Past Five Years
-----	-----
Robert A. Hammond, Jr.	Mr. Hammond has served as PRTS' President, Chief Executive Officer, Chairman, Secretary and Treasurer since PRTS' incorporation in April 1999. In April 1996, Mr. Hammond founded PRTS' predecessor as a division of Aviation Laboratories, Inc., a company for which he also served as Chief Executive Officer from its inception in August 1985. From August 1985

2

until June 1999, Mr. Hammond was the Chief Executive Officer and Chairman of Great Pines Water Company, a publicly traded bottled water company that was sold to Suntory Bottled Water Group in June 1999. Mr. Hammond is the Chairman of the Board and Chief Executive Officer of Hammond I, Inc., and Hammond Acquisition Corp., positions he has held since the formation of the corporations in May 2002.

Mark J. Weicher	Mr. Weicher has served as PRTS' Chief Financial Officer since August 2001 and joined PRTS in March 2001. From September 2000 through February 2001, Mr. Weicher served as an independent business consultant. From February 1999 through August 2000, Mr. Weicher served as Chief Financial Officer of
-----------------	--

Edgar Filing: PARTSBASE INC - Form SC 13E3/A

Site2shop.com, Inc., a multimedia company engaged in marketing various consumer products through self-produced television programs, print media, internet and television programs. Mr. Weicher served as Chief Financial Officer of Computer Access International, Inc., a refurbisher of computer equipment, from January 1997 through January 1999. Mr. Weicher is a Certified Public Accountant and received his Bachelor of Science in accounting from Brooklyn College.

Brian Tolley

Mr. Tolley joined PRTS as Chief Information Officer in September 2000. Prior to joining PRTS, Mr. Tolley served as the Vice President of Advanced Technology for Precision Response Corporation, a company engaged in providing telephone and internet based customer service and marketing services on an outsourced basis to large corporations. Prior to his tenure with Precision Response Corporation, Mr. Tolley served as the Director of Software Development for Mortgage Banking System, Inc.

Directors and Executive Officers of Hammond I and HAC. Set forth in the table below are the name, address, present principal occupation or employment, name of any corporation or other organization in which such occupation or employment is conducted, and the five year employment history of the sole director and executive officer of Hammond I and HAC. Such person identified below is a United States citizen, and his principal address and telephone number are 905 Clint Moore Road, Boca Raton, Florida 33487, (561) 953-0700.

Name	Present Principal Occupation or Employment and Material Positions Held During the Past Five Years
Robert A. Hammond, Jr.	Chairman of the Board of Directors and Chief Executive Officer. See description under PRTS above.

None of the persons specified in Item 1003(b)-(c) of Regulation M-A have been convicted in a criminal proceeding during the past five years (excluding traffic violations or similar misdemeanors). Unless otherwise disclosed in the Proxy Statement, no person specified in Item 1003(b)-(c) of Regulation M-A was a party to any judicial or administrative proceeding during the past five years (except for matters that were dismissed without sanction or settlement) that resulted in a judgment, decree or final order enjoining the person from future

violations of, or prohibiting activities subject to, federal or state securities laws, or a finding of any violation of federal or state securities laws.

ITEM 4. TERMS OF THE TRANSACTION.  
REGULATION M-A ITEM 1004

(a) Material Terms.

(1) Tender Offers. Not Applicable.

(2) Mergers or Similar Transactions. The information set forth in the Proxy Statement under the following captions is incorporated herein

## Edgar Filing: PARTSBASE INC - Form SC 13E3/A

by reference:

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY  
THE SPECIAL MEETING  
SPECIAL FACTORS  
THE MERGER AGREEMENT  
Appendix A - The Agreement and Plan of Merger, dated as of August 26, 2002, by and between PartsBase, Inc., Hammond I, Inc., Hammond Acquisition Corp. and Robert A. Hammond, Jr.

- (c) Different Terms. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY  
SPECIAL FACTORS - Certain Effects of the Merger  
SPECIAL FACTORS - Interests of Certain Persons in the Merger  
SPECIAL FACTORS - Financing of the Merger  
SPECIAL FACTORS - Fees and Expenses of the Merger;  
THE MERGER AGREEMENT - Conversion of Securities

- (d) Appraisal Rights. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY - Appraisal Rights  
THE SPECIAL MEETING  
SPECIAL FACTORS - Appraisal Rights

4

- (e) Provisions For Unaffiliated Security Holders. The Filing Persons have made no provisions in connection with this transaction to grant unaffiliated security holders access to the corporate files of the Filing Persons, or to obtain counsel or appraisal services at the expense of the Filing Persons.

- (f) Eligibility for Listing or Trading. Not applicable.

### ITEM 5. PAST CONTRACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS REGULATION M-A ITEM 1005

- (a) Transactions. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Interests of Certain Persons in the Merger

- (b) Significant Corporate Events. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET

## Edgar Filing: PARTSBASE INC - Form SC 13E3/A

SUMMARY - Interests of Certain Persons in the Merger  
SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Interests of Certain Persons in the Merger

- (c) Negotiations or Contacts. The information set forth in the Proxy Statement under the caption "SPECIAL FACTORS-Background of the Merger" is incorporated herein by reference.
- (d) Conflicts of Interest. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET  
SUMMARY - Interests of Certain Persons in the Merger  
THE PARTIES TO THE MERGER  
SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Interests of Certain Persons in the Merger

- (e) Agreements Involving The Subject Company's Securities. Not applicable.

### ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS REGULATION M-A ITEM 1006

- (a) Purposes. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SPECIAL MEETING  
SPECIAL FACTORS - Purpose and Structure of the Merger  
THE MERGER AGREEMENT - Generally

5

- (b) Use of Securities Acquired. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY  
THE SPECIAL MEETING - Matters to be Considered at the Special Meeting  
SPECIAL FACTORS - Certain Effects of the Merger  
THE MERGER AGREEMENT

- (c) (1)-(8) Plans. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY  
SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Certain Effects of the Merger  
SPECIAL FACTORS - Interests of Certain Persons in the Merger  
THE MERGER AGREEMENT

### ITEM 7. PURPOSES, ALTERNATIVES, REASONS AND EFFECTS. REGULATION M-A ITEM 1013

- (a) Purposes. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

## Edgar Filing: PARTSBASE INC - Form SC 13E3/A

SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger  
SPECIAL FACTORS - Position of the Acquisition Group as to the Fairness of the Merger  
SPECIAL FACTORS - Purpose and Structure of the Merger

- (b) Alternatives. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger  
SPECIAL FACTORS - Purpose and Structure of the Merger

6

- (c) Reasons. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY  
SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger  
SPECIAL FACTORS - Position of the Acquisition Group as to the Fairness of the Merger  
SPECIAL FACTORS - Purpose and Structure of the Merger  
SPECIAL FACTORS - Opinion of Special Committee's Financial Advisor

- (d) Effects. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY  
SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger  
SPECIAL FACTORS - Position of the Acquisition Group as to the Fairness of the Merger  
SPECIAL FACTORS - Certain Effects of the Merger  
SPECIAL FACTORS - Interests of Certain Persons in the Merger  
SPECIAL FACTORS - Material U.S. Federal Income Tax Consequences

### ITEM 8. FAIRNESS OF THE TRANSACTION. REGULATION M-A ITEM 1014

Each of the filing persons believes that the merger and its terms, as proposed, are fair to the stockholders of PRTS (other than the Acquisition Group).

- (a) Fairness. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY  
SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Recommendation of the Special Committee and the



## Edgar Filing: PARTSBASE INC - Form SC 13E3/A

Board of Directors; Fairness of the Merger  
SPECIAL FACTORS - Position of the Acquisition Group as to the Fairness of the Merger  
SPECIAL FACTORS - Purpose and Structure of the Merger  
SPECIAL FACTORS - Opinion of Special Committee's Financial Advisor  
Appendix B - Opinion and Consent of vFinance Investments, Inc.

- (b) Factors Considered in Determining Fairness. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger  
SPECIAL FACTORS - Position of the Acquisition Group as to the Fairness of the Merger  
SPECIAL FACTORS - Interests of Certain Persons in the Merger  
SPECIAL FACTORS - Purpose and Structure of the Merger  
SPECIAL FACTORS - Opinion of Special Committee's Financial Advisor  
Appendix B - Opinion and Consent of vFinance Investments, Inc.

7

- (c) Approval of Security Holders. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY - The Special Meeting  
THE SPECIAL MEETING - Record Date, Outstanding Voting Securities and Voting Rights  
THE SPECIAL MEETING - Required Votes  
THE MERGER AGREEMENT - Conditions  
THE MERGER AGREEMENT - Termination of the Merger Agreement

The transaction is not structured so that approval of at least a majority of unaffiliated security holders is required. Rather, the transaction is structured to require: (i) the approval by the affirmative vote of at least a majority of the outstanding shares of PRTS common stock, and (ii) that a majority of shares not held or voted by the Acquisition Group do not vote against the transaction.

- (d) Unaffiliated Representative. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY - Opinion of Financial Advisor to Special Committee  
SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger  
SPECIAL FACTORS - Opinion of Special Committee's Financial Advisor  
Appendix B - Opinion and Consent of vFinance Investments, Inc.

- (e) Approval of Directors. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger

Edgar Filing: PARTSBASE INC - Form SC 13E3/A

(f) Other Offers. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger

ITEM 9. REPORTS, OPINIONS, APPRAISALS AND NEGOTIATIONS.  
REGULATION M-1 ITEM 1015

(a) Report, Opinion or Appraisal. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY - Opinion of Financial Advisor to Special Committee  
SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger  
SPECIAL FACTORS - Opinion of Special Committee's Financial Advisor  
Appendix B - Opinion and Consent of vFinance Investments, Inc.

See the following exhibits to this Schedule 13E-3:

Exhibit (c) (2) - Report of vFinance Investments, Inc. dated August 26, 2002, prepared by vFinance Investments, Inc. (previously filed)

Exhibit (c) (3) - Report of vFinance Investments, Inc. dated August 2, 2002, Regarding Portal Value prepared by vFinance Investments, Inc. included herein.

Exhibit (c) (4) - Report of vFinance Investments, Inc. dated June 24, 2002, prepared by vFinance Investments, Inc. (previously filed).

8

(b) Preparer and Summary of the Report, Opinion or Appraisal. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY - Opinion of Financial Advisor to Special Committee  
SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger  
SPECIAL FACTORS - Opinion of Special Committee's Financial Advisor  
Appendix B - Opinion and Consent of vFinance Investments, Inc.

See the following exhibits to this Schedule 13E-3:

Exhibit (c) (2) - Report of vFinance Investments, Inc. dated August 26, 2002, prepared by vFinance Investments, Inc. (previously filed).

Exhibit (c) (3) - Report of vFinance Investments, Inc. dated August 2, 2002, Regarding Portal Value prepared by vFinance Investments, Inc. included herein.

(c) Availability of Documents. The information set forth in the Proxy Statement under the caption "WHERE STOCKHOLDERS CAN FIND MORE

## Edgar Filing: PARTSBASE INC - Form SC 13E3/A

INFORMATION" is incorporated herein by reference.

### ITEM 10. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION. REGULATION M-1 ITEM 1007

- (a) - (d) Source of Funds; Conditions; Expenses; Borrowed Funds. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY - Financing of the Merger  
THE SPECIAL MEETING - Expenses of Proxy Solicitation  
SPECIAL FACTORS - Certain Effects of the Merger  
SPECIAL FACTORS - Interests of Certain Persons in the Merger  
SPECIAL FACTORS - Financing of the Merger  
SPECIAL FACTORS - Fees and Expenses of the Merger

Except as set forth in the Proxy Statement, there are no alternative financing arrangements or alternative financing plans.

### ITEM 11. INTEREST IN SECURITIES OF THE SUBJECT COMPANY. REGULATION M-1 ITEM 1008

- (a) Securities Ownership. The information set forth in the Proxy Statement under the caption "SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT" is incorporated herein by reference.
- (b) Securities Transactions. The information set forth in the Proxy Statement under the caption "COMMON STOCK PURCHASES" is incorporated herein by reference.

### ITEM 12. THE SOLICITATION OR RECOMMENDATION. REGULATION M-A ITEM 1012

9

- (d) Intent To Tender Or Vote In A Going-Private Transaction. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference.

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY - The Special Meeting  
THE SPECIAL MEETING - Record Date, Outstanding Voting Securities and Voting Rights

- (e) Recommendation of Others. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference.

SUMMARY TERM SHEET  
QUESTIONS AND ANSWERS ABOUT THE MERGER  
SUMMARY - The Special Meeting  
THE SPECIAL MEETING - Record Date, Outstanding Voting Securities and Voting Rights

Edgar Filing: PARTSBASE INC - Form SC 13E3/A

ITEM 13. FINANCIAL STATEMENTS.  
REGULATION M-A ITEM 1010

- (a) Financial Information. The information contained in the Consolidated Financial Statements included in PRTS' Annual Report on Form 10-K for the fiscal year ended December 31, 2001 and its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2002 is incorporated herein by reference. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference.

SELECTED FINANCIAL INFORMATION  
WHERE YOU CAN FIND MORE INFORMATION  
APPENDIX D -Annual Report on Form 10-K for the Year Ended December 31, 2001  
APPENDIX E -Quarterly Report on Form 10-Q for the Quarterly Period Ended September 30, 2002

- (b) Pro Forma Information. Not applicable.

ITEM 14. PERSONS/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED.  
REGULATION M-A ITEM 1009

- (a) - (b) Solicitations or Recommendations; Employees and Corporate Assets. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

THE SPECIAL MEETING - Expenses of Proxy Solicitation  
SPECIAL FACTORS - Background of the Merger  
SPECIAL FACTORS - Recommendation of the Special Committee and the Board of Directors; Fairness of the Merger  
SPECIAL FACTORS - Opinion of Special Committee's Financial Advisor  
SPECIAL FACTORS - Interests of Certain Persons in the Merger  
Appendix B - Opinion and Consent of vFinance Investments, Inc.

ITEM 15. ADDITIONAL INFORMATION.  
REGULATION M-A ITEM 1011

10

- (a) Other Material Information. The entirety of the Proxy Statement, including all Appendices thereto, is incorporated herein by reference.

ITEM 16. EXHIBITS.  
REGULATION M-A ITEM 1016

Exhibit No.	Description
(a)(1)	Definitive Proxy Statement filed with the Securities and Exchange Commission on January 21, 2003 (incorporated herein by reference to the Proxy Statement).
(a)(2)	Form of Proxy Card, filed with the Securities and Exchange Commission along with the Proxy Statement (incorporated herein by reference to the Proxy Statement).
(a)(3)	Letter to Stockholders, filed with the Securities and Exchange Commission along with the Proxy Statement (incorporated herein by reference to the Proxy Statement).

Edgar Filing: PARTSBASE INC - Form SC 13E3/A

- (a) (4) Notice of Special Meeting of Stockholders, filed with the Securities and Exchange Commission along with the Proxy Statement (incorporated herein by reference to the Proxy Statement).
- (a) (5) Press Release dated August 26, 2002 (incorporated herein by reference to Exhibit 99.1 of the Current Report on Form 8-K filed by PartsBase, Inc. on August 29, 2002, File No. 000-29727).
- (c) (1) Opinion and Consent of vFinance Investments, Inc. dated August 26, 2002 (incorporated herein by reference to Appendix B to the Proxy Statement).
- (c) (2) Report of vFinance Investments, Inc., dated August 26, 2002, prepared by vFinance Investments, Inc. (previously filed).
- (c) (3) Report of vFinance Investments, Inc., dated August 2, 2002, Regarding Portal Value prepared by vFinance Investments, Inc. included herein.
- (c) (4) Report of vFinance Investments, Inc., dated June 24, 2002, prepared by vFinance Investments, Inc. (previously filed).
- (d) Agreement and Plan of Merger dated as of August 26, 2002 by and between PartsBase, Inc., Hammond I, Inc., Hammond Acquisition Corp. and Robert A. Hammond, Jr. (incorporated herein by reference to Appendix A to the Proxy Statement).
- (f) Section 262 of the Delaware General Corporation Law (incorporated herein by reference to Appendix C to the Proxy Statement).

11

SIGNATURE

After due inquiry and to the best of their knowledge and belief, each of the undersigned does certify that the information set forth in this statement is true, complete and correct.

Dated: January 21, 2003

PARTSBASE, INC.

By: /s/Mark J. Weicher  
-----  
Name: Mark J. Weicher  
Title: Chief Financial Officer

HAMMOND I, INC.

By: /s/Robert A. Hammond, Jr.  
-----

Edgar Filing: PARTSBASE INC - Form SC 13E3/A

Name: Robert A. Hammond, Jr.  
 Title: Chief Executive Officer

HAMMOND ACQUISITION CORP.

By: Robert A. Hammond, Jr.  
 -----

Name: Robert A. Hammond, Jr.  
 Title: Chief Executive Officer

ROBERT A. HAMMOND, JR.

/s/Robert A. Hammond, Jr.  
 -----  
 Robert A. Hammond, Jr.

12

Report of vFinance Investment, Inc. dated August 2, 2002 Regarding Portal  
 Value Prepared by vFinance Investments, Inc.

Exhibit (c) (3)

PartsBase, Inc.

Valuation: Portal Sale Scenarios

As of August 2, 2002

(Amounts in thousands except per share data or where noted)

1.) Balance Sheet Assets related Portal

	6/30/2002	Amended 6/30/2002
	-----	-----
Current Assets		
Cash	\$22,821	\$ 0 *
A/R	393	393
Prepaid Exp.	314	314
	-----	
Total Current Assets	\$23,528	
P,P&E	2,002	2,002
CD - Restricted Cash	660	660
Other	38	38
	-----	-----
Total Assets	\$26,228	\$3,407

\* Reflects offsetting amounts of \$2,207 of cash and \$2,207 in deferred revenues.

\*\* Balance sheet cash as of 6/30/02 less deferred revenue. Actual cash may be

Edgar Filing: PARTSBASE INC - Form SC 13E3/A

less.

Sale of Portal "Hard Assets", reflecting a going concern, not liquidation  
yields a price of : \$0.24 per share

Remaining cash \*\* \$1.47  
-----  
Totals \$1.71 per share

1

2a.) Subscription based Valuation,  
Trailing twelve (12) months

	Deferred	Earned	Written Off
	-----	-----	-----
Jul-01	349,440	303,014	20,256
Aug-01	508,982	295,017	42,165
Sep-01	316,480	370,645	41,754
Oct-01	392,432	348,464	59,385
Nov-01	360,479	375,374	84,192
Dec-01	491,280	372,689	27,601
Jan-02	482,945	389,827	-
Feb-02	389,748	402,885	23,811
Mar-02	403,497	382,515	13,989
Apr-02	276,278	371,084	25,933
May-02	424,864	362,413	23,119
Jun-02	344,945	365,801	10,183
	-----	-----	-----
Totals	4,741,370	4,339,728	372,388

Based on a range of \$4,339,728 at low end (Earned amount) versus \$4,368,982 at  
high end (Deferred less Written Off), Portal should be valued at:

Low \$0.31 per share  
High \$0.31 per share

2b.) Subscription based Valuation,  
Forecasted

	1/02 - 6/02 Average Deferred	1/02 - 6/02 Average Earned	1/02 - 6/02 Average Written Off
	-----	-----	-----
Per month	387,046	379,087	16,182
Annualized	4,644,554	4,549,050	194,190

Based on a range of \$4,450,364 at low end (Deferred less Write Off)  
versus \$4,549,050 at high end (Earned amount), Portal should be valued  
at:

Low \$0.32 per share  
High \$0.33 per share

-----

Edgar Filing: PARTSBASE INC - Form SC 13E3/A

Shares Outstanding used in all calculations is 13,977,920.

Forecasted Amount is the average monthly times 12 months.