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**Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

**Manohar Lal and Constance Lal,**  
Claimants

Vs.

**Barington Capital Group, L.P.,**  
Respondent.

Case Number: 00-00836

Hearing Site: Cleveland, Ohio

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**REPRESENTATION OF PARTIES**

J. Michael Gatien, Esquire, North Canton, Ohio, represented Claimants Manohar Lal and Constance Lal, ("Mr. and Mrs. Lal"), hereinafter referred to as "Claimants".

Stuart A. Jackson, Esquire, of Ré, Parser & Partners, New York, New York, represented the Respondent, Barington Capital Group, L.P., ("Barington"), hereinafter referred to as "Respondent".

**CASE INFORMATION**

The Statement of Claim was filed on or about February 28, 2000.

Claimants both signed the Uniform Submission Agreement on February 7, 2000.

The Statement of Answer was filed on or about July 21, 2000.

Respondent did not file a Uniform Submission Agreement.

**CASE SUMMARY**

Claimants asserted the following against the Respondent: fraud, market manipulation, violations of standards of commercial honor, failure to supervise, negligence, breach of contract, breach of fiduciary duty, breach of brokerage duties, breach of NASD rules and breach of Ohio state laws. These allegations involved purchases of the following common stocks: Kiddie Academy International, Inc. (KAI), DISC, Inc. (DSCR), Asia Electronics Holding Company (AEHCF), Thinking Tool, Inc. (TSM), Great Train Store Co. (GTRN) and Objective Communications (OCOM).

Unless specifically admitted in its Statement of Answer, Respondent denied all allegations set forth in the Statement of Claim and asserted the following affirmative defenses: failure to state a claim upon which relief may be granted, violation of the applicable statute of limitations, assumption of the risk, ratification, estoppel and failure to mitigate.

#### **RELIEF REQUESTED**

Claimants requested the following relief:

Compensatory Damages	\$ 28,020.55
Punitive Damages	\$125,000.00
Attorney's Fees	\$ 9,780.00
Expert Witness Fees	\$ 7,000.00

Claimants also requested Pre- and Post-Judgment Interest at 10% per annum, rescission of the subject transactions and other relief deemed appropriate by the Panel.

Respondent requested that the Statement of Claim be dismissed and that it be awarded costs and attorneys' fees.

#### **OTHER ISSUES CONSIDERED AND DECIDED**

Respondent Barington Capital Group, L.P., did not file with NASD Dispute Resolution, Inc., a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

#### **AWARD**

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

1. All claims asserted in the Statement of Claim by Claimants Manohar Lal and Constance Lal against Respondent Barington Capital Group, L.P., are dismissed in their entirety.
2. Except as otherwise specified herein, each party shall bear its own costs and attorneys' fees.
3. Any and all relief not specifically addressed herein is denied.

### FEES

Pursuant to the Code, the following fees are assessed:

#### Filing Fees

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

Initial claim filing fee	= \$ 300
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#### Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is the Respondent.

Member Surcharge	= \$1,500
Pre-hearing Process Fee	= \$ 600
Hearing Process Fee	= \$2,500

#### Forum Fees and Assessments

The Panel has the authority to assess forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the Panel that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$1,125	= \$1,125
Pre-hearing conference: January 11, 2001 1 session	

Five (5) Hearing sessions x \$1,125	= \$5,625
Hearing Dates: August 20, 2001 1 session	
August 21, 2001 2 sessions	
August 22, 2001 2 sessions	

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Total Forum Fees	= \$6,750
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The Panel has assessed one half (\$3,375) of the forum fees to Claimants and one half (\$3,375) of the forum fees to Respondent.

#### Fee Summary

1. Claimants, Mr. and Mrs. Lal, be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 3,375.00
Total Fees	= \$ 3,675.00
Less payments	= \$ 2,200.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,475.00

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2. Respondent, Barington Capital Group, L.P., be and hereby is solely liable for:

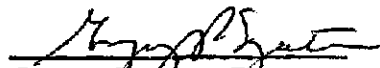
Member Fees	= \$ 4,600.00
Forum Fees	= \$ 3,375.00
Total Fees	= \$ 7,975.00
Less payments	= \$ 1,500.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 6,475.00

All balances are due to NASD Dispute Resolution, Inc.

**ARBITRATION PANEL**

Gregory P. Szuter, Esq.	-	Public, Presiding Chair
Joanne C. Brant	-	Public Arbitrator
Henry Ott-Hansen	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

  
Gregory P. Szuter, Esq.  
Public Arbitrator, Presiding Chair

October 5, 2001  
Signature Date

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Joanne C. Brant  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Henry Ott-Hansen  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Date of Service (For NASD-Dispute Resolution office use only)

## NASD-DR Award

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Public, Presiding Chair

Joanne C. Brant

Public Arbitrator

Henry Ott-Hansen

Non-Public Arbitrator

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Signature Date

Public Arbitrator, Presiding Chair

Joanne C. Brant

Signature Date

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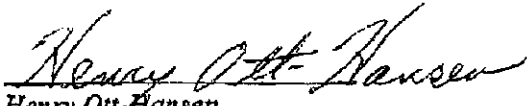
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Public Arbitrator, Presiding Chair

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Signature Date\_\_\_\_\_  
Joanne C. Brant

Public Arbitrator

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Signature Date

  
\_\_\_\_\_  
Henry Ott-Hansen  
Non-Public Arbitrator

Oct 8, 2001  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
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