

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND

JUDITH A. LAWTON, THOMAS
LAWTON, MARSHA E. DARAS,
STEPHEN H. LAWTON, NANCY J.
CRONIN, DAVID T. LAWTON, T.
MICHAEL LAWTON, JOANNA J.
LAWTON AND SUZANNE M.
LAWTON,
Plaintiffs,

v.

ROBERT NYMAN, KEITH JOHNSON,
KENNETH NYMAN, NYMAN
MANUFACTURING CO., INC.,
Defendants.

C.A. No. 98-288 T

ANSWER OF NYMAN MFG. CO. TO AMENDED COMPLAINT

Defendant Nyman Mfg. Co. ("Nyman") hereby answers the Amended Complaint of plaintiffs as follows:

FIRST DEFENSE

1. Lacks knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 1.
2. Lacks knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 2.
3. Admitted.

4. Lacks knowledge or information sufficient to form a belief as to the truth of the allegations of the first sentence of Paragraph 4; admits the allegations of the second sentence of this Paragraph.

5. Lacks knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 5.

6. Lacks knowledge or information sufficient to form a belief as to the truth of the allegations of the first sentence of Paragraph 6; admits the allegations of the second sentence of this Paragraph.

7. States that Paragraph 7 sets forth legal conclusions to which Nyman is not required to plead.

8. States that Paragraph 8 sets forth legal conclusions to which Nyman is not required to plead.

9. Admits the allegations of the first sentence of Paragraph 9; states that the second sentence of this Paragraph sets forth legal conclusions to which Nyman is not required to plead.

10. Admits that a letter dated May 8, 1996 is attached to the Amended Complaint, states that the letter speaks for itself, and denies the allegations of this Paragraph to the extent inconsistent with the letter; further responding, states that it lacks knowledge or information sufficient to form a belief as to the truth of the allegations of the first and last sentences of this Paragraph.

11. Lacks knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 11.

12. Lacks knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 12.

13. Admits that on or about June 25, 1996, defendants Robert C. Nyman, Keith Johnson and Kenneth Nyman purchased from Nyman a total of 4115 shares of Nyman's Class A stock for two hundred dollars per share as well as 750 shares of Nyman's Class B stock and that these purchases were funded through a promissory note to Nyman in the principal amount of \$973,000; otherwise, denies the allegations of this Paragraph.

14. Denied.

15. Denied.

16. Denied.

COUNT I

17. Restates and incorporates by reference its answers to Paragraphs 1-16 as though fully set forth herein.

18. Denied.

19. Denied.

20. Denied.

21. Denied.

COUNT II

22. Restates and incorporates by reference its answers to Paragraphs 1-21 as though fully set forth herein.

23. The Court dismissed Count II as to Nyman in its Memorandum and Order of August 24, 1999. To the extent a response is required, the allegations of Paragraph 23 are denied.

24. The Court dismissed Count II as to Nyman in its Memorandum and Order of August 24, 1999. To the extent a response is required, the allegations of Paragraph 24 are denied.

25. The Court dismissed Count II as to Nyman in its Memorandum and Order of August 24, 1999. To the extent a response is required, the allegations of Paragraph 25 are denied.

COUNT III

26. Restates and incorporates by reference its answers to Paragraphs 1-25 as though fully set forth herein.

27. Denied.

28. Denied.

29. Denied.

30. Denied.

31. Denied.

COUNT IV

32. Restates and incorporates by reference its answers to Paragraphs 1-31 as though fully set forth herein.

33. Denied.

34. Denied.

35. Denied.

COUNT V

36. Restates and incorporates by reference its answers to Paragraphs 1-35 as though fully set forth herein.

37. The Court dismissed Count V as to Nyman in its Memorandum and Order of August 24, 1999. To the extent a response is required, the allegations of Paragraph 37 are denied.

38. The Court dismissed Count V as to Nyman in its Memorandum and Order of August 24, 1999. To the extent a response is required, the allegations of Paragraph 38 are denied.

SECOND DEFENSE

Plaintiffs' Amended Complaint, in whole or in part, fails to state a claim upon which relief can be granted.

THIRD DEFENSE

Plaintiffs are not entitled under either federal or state law to recover punitive damages.

FOURTH DEFENSE

Nyman is not liable for any actions of the individual defendants.

FIFTH DEFENSE

Count IV of the Amended Complaint is barred by Plaintiffs' negligence.

SIXTH DEFENSE

Plaintiffs' claims are barred, in whole or in part, by the doctrines of waiver and/or estoppel.

SEVENTH DEFENSE

Plaintiffs' claims are barred, in whole or in part, by their failure to plead fraud with the particularity required by Fed. R. Civ. P. 9(b).

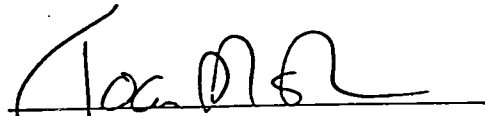
WHEREFORE, Nyman prays for judgment as follows:

- A. Plaintiffs recover nothing on their claims;
- B. Plaintiffs recover no punitive damages;
- C. Plaintiffs' requests for equitable relief, including their requests for the imposition of a constructive trust and for an injunction, be denied;
- D. Plaintiffs' request for costs, including attorneys' fees, be denied;
- E. Nyman recover its costs and attorneys' fees in connection with this action; and
- F. The Court award such other and further relief to Nyman as it deems just and proper.

Respectfully submitted,

NYMAN MFG. CO.

By its attorneys,



Joan McPhee

Michael P. Allen (*pro hac vice*)

Ropes & Gray

30 Kennedy Plaza

Providence, RI 02903-2328

(401) 455-4400

Dated: September 8, 1999

CERTIFICATE OF SERVICE

I hereby certify that on this day a true and correct copy of the above document was served upon the attorney of record for each party by mail/by hand.

Date: 9/8/99 