

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
OHIO, EASTERN DIVISION

Bader Ahmed Kaiksow Group v. Angelo Benedetti, LLC, et al.

Bader Ahmed Kaiksow Group · No. 1:25-cv-01093 · Decided February 2, 2026

SUMMARY

The United States District Court for the Northern District of Ohio considers motions to compel arbitration and for judgment on the pleadings in a dispute concerning the alleged fraudulent sale and poor performance of asphalt-recycling equipment. The court also considers the plaintiff’s motion for leave to file a surreply. The opinion addresses whether the defendants defaulted under the Federal Arbitration Act by failing to pay their share of International Chamber of Commerce arbitration fees.

CASE DETAILS

COURT	United States District Court for the Northern District of Ohio, Eastern Division
WRITING FOR THE COURT	J. Philip Calabrese
JURISDICTION	United States District Court for the Northern District of Ohio
DECIDED	February 2, 2026
DOCKET	1:25-cv-01093
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff brought claims for fraudulent inducement, misrepresentation, concealment, breach of contract, breach of an arbitration agreement, tortious interference, negligent misrepresentation, and personal liability. Defendants moved to compel arbitration and for judgment on the pleadings. Plaintiff moved for leave to file a surreply.
STANDARD OF REVIEW	For the motion for judgment on the pleadings, the court applied the Rule 12(c) standard, generally following Rule 12(b)(6): accepting well-pleaded factual allegations as true, construing reasonable inferences in favor of the nonmovant, and determining whether the allegations plausibly establish entitlement to relief. For arbitration, the court applied 9 U.S.C. § 3 and determined whether Defendants were in default in proceeding with arbitration. For the Rule 9(b) issue, the court required fraud allegations to state the circumstances constituting fraud with particularity.

TOPICS

arbitration

default

motion for judgment on the pleadings

fraudulent inducement

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PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether Plaintiff demonstrated good cause for leave to file a surreply.
2. Whether Defendants defaulted under 9 U.S.C. § 3 by refusing to pay their share of ICC arbitration costs, such that the court could deny a motion to compel arbitration.
3. Whether Plaintiff's fraudulent-inducement allegations were barred by Ohio's statute of limitations or failed to satisfy Federal Rule of Civil Procedure 9(b).
4. Whether Plaintiff adequately pleaded its arbitration-agreement breach claim against Benedetti Holdings and Albert Benedetti.
5. Whether Plaintiff adequately pleaded tortious interference with contractual and business relations against Benedetti Holdings and Albert Benedetti.
6. Whether piercing the corporate veil is an independent cause of action under Ohio law.

HOLDINGS

1. Leave to file a surreply was properly denied because Plaintiff did not demonstrate the truly good cause required by the court's Civil Standing Order; the arguments addressed in the reply were already present in the initial motion.
2. A party defaults in proceeding with arbitration when it repeatedly refuses to pay required arbitration fees and takes actions completely inconsistent with an intent to arbitrate. Defendants' failure to pay their share of the ICC advance on costs constituted default, so the motion to compel arbitration was denied.
3. The fraudulent-inducement claim was not barred by Ohio's four-year statute of limitations at the pleading stage because, accepting the complaint's allegations as true, Plaintiff did not reasonably discover the alleged fraud until spring 2024.
4. Plaintiff's fraudulent-inducement allegations against Benedetti Holdings did not satisfy Rule 9(b), and its allegations against Benedetti, LLC and Albert Benedetti were insufficient except for the specifically identified representation that Albert Benedetti represented on January 15, 2014, that Benedetti, LLC would provide new REHEAT machines. Plaintiff was ordered to amend its pleading to identify the fraudulent statements, speakers, dates, locations, and reasons for falsity.
5. The breach-of-contract claim concerning the purchase agreement's arbitration provision survived against Benedetti, LLC and Albert Benedetti but was dismissed against Benedetti Holdings.

6. The tortious-interference claim was dismissed against Benedetti Holdings but survived against Albert Benedetti.
7. Count Six was dismissed because piercing the corporate veil is not an independent cause of action under Ohio law.

KEY QUOTATIONS

“A party defaults on an arbitration agreement when it takes actions that are ‘completely inconsistent’ with an intent to arbitrate.” (Section II.B.1)

“What matters for the Court’s inquiry is that there “is no arbitration to return this case to and parties may not avoid resolution of live claims through compelling a new arbitration proceeding after having let the first arbitration proceeding fail.”” (Section II.B.2)

“But piercing the corporate veil is not an independent cause of action.” (Section III.D)

FACTUAL BACKGROUND

BAK Group purchased a REHEAT asphalt-recycling machine from Angelo Benedetti, LLC for use on long stretches of roadway in Bahrain and the Gulf Cooperation Council region. BAK Group alleged that the machine repeatedly failed during demonstrations and roadway work and that Defendants concealed that it had previously been built for another customer, was unsuitable for the intended use, and was not new. BAK Group initiated ICC arbitration, but the claims were withdrawn after Defendants failed to pay their share of the arbitration costs. BAK Group then filed this federal action.

PROCEDURAL HISTORY

Plaintiff initiated ICC arbitration in July 2024, but the arbitration was withdrawn after Defendants failed to pay their share of the advance on costs. Plaintiff then filed this federal action on May 28, 2025. The court denied the motion to compel arbitration, denied leave to file a surreply, and granted in part and denied in part the motion for judgment on the pleadings.

DISPOSITION

other

REMAND INSTRUCTIONS

No remand. Plaintiff was ordered to amend its fraudulent-inducement pleading by February 17, 2026, specifying the fraudulent statements, speakers, dates, locations, and reasons the statements were fraudulent.

CASES CITED

- Estate of Q.W. v. Lucas Cnty. Child. Servs., 682 F. Supp. 3d 671, 680 (N.D. Ohio 2023)
- United Food & Com. Workers, Loc. 1995 v. Kroger Co., 51 F.4th 197, 202 (6th Cir. 2022)
- Volt Info. Scis., Inc. v. Board of Trs. of Leland Stanford Junior Univ., 489 U.S. 468, 478 (1989)

- Stolt-Nielsen S.A. v. AnimalFeeds Int'l Corp., 559 U.S. 662, 664 (2010)
- AT&T Mobility LLC v. Concepcion, AT&T Mobility LLC v. Concepcion, 563 U.S. 333, 344, 346 (2011)
- Smith v. Spizzirri, 601 U.S. 472, 473–74, 478 (2024)
- Hall St. Assocs., L.L.C. v. Mattel, Inc., 552 U.S. 576, 581 (2008)
- Buckeye Check Cashing, Inc. v. Cardegna, 546 U.S. 440, 443 (2006)
- Moses H. Cone Mem'l Hosp. v. Mercury Constr. Corp., 460 U.S. 1, 24 (1983)
- Stout v. J.D. Byrider, 228 F.3d 709, 714 (6th Cir. 2000)
- Schnatter v. 247 Group, Inc., 155 F.4th 543, 555 (6th Cir. 2025)
- Kloosterman v. Metropolitan Hosp., 153 F.4th 501, 506 (6th Cir. 2025)
- O.J. Distrib., Inc. v. Hornell Brewing Co., 340 F.3d 345, 356 (6th Cir. 2003)
- General Star Nat'l Ins. Co. v. Administratia Asigurarilor de Stat, 289 F.3d 434, 438 (6th Cir. 2002)
- Morgan v. Sundance, Inc., 596 U.S. 411, 419 (2022)
- Pre-Paid Legal Servs., Inc. v. Cahill, 786 F.3d 1287, 1294–98 (10th Cir. 2015)
- Sink v. Aden Enters., Inc., 352 F.3d 1197, 1199 (9th Cir. 2003)
- Noble Capital Fund Mgmt., L.L.C. v. US Capital Global Inv. Mgmt., LLC, 31 F.4th 333, 336 (5th Cir. 2022)
- Hunter v. Ohio Veterans Home, 272 F. Supp. 2d 692, 694 (N.D. Ohio 2003)
- Bates v. Green Farms Condo. Ass'n, 958 F.3d 470, 480 (6th Cir. 2020)
- D'Ambrosio v. Marino, 747 F.3d 378, 383 (6th Cir. 2014)
- Holland v. FCA US LLC, 656 F. App'x 232, 236–37 (6th Cir. 2016)
- Anders v. Cuevas, 984 F.3d 1166, 1174 (6th Cir. 2021)
- Gregory v. Shelby Cnty., 220 F.3d 433, 446 (6th Cir. 2000)
- JTO, Inc. v. Travelers Indem. Co. of Am., 242 F. Supp. 3d 599, 602 (N.D. Ohio 2017)
- Micrel, Inc. v. TRW, Inc., 486 F.3d 866, 874 (6th Cir. 2007)
- Newberry v. Silverman, 789 F.3d 636, 645 (6th Cir. 2015)
- Republic Bank & Trust Co. v. Bear Stearns & Co., Inc., 683 F.3d 239, 247 (6th Cir. 2012)
- Benedettini Cabinets, L.P. v. Sherwin-Williams Co., 695 F. Supp. 3d 948, 956 (N.D. Ohio 2023)
- Cundall v. U.S. Bank, 122 Ohio St. 3d 188, 2009-Ohio-2523, 909 N.E.2d 1244, ¶ 30
- Flowers v. Walker, 63 Ohio St. 3d 546, 549, 589 N.E.2d 1284 (1992)
- Carl L. Brown, Inc. v. Lincoln Nat'l Life Ins., 2003-Ohio-2577, ¶ 61 (Ohio Ct. App.)
- Riddick v. Taylor, 2018-Ohio-171, 105 N.E.3d 446, ¶ 14 (Ohio Ct. App.)
- Trohoske v. Chicago Title Ins. Co., No. 1:11-cv-877, 2011 WL 6012412, at *8 (N.D. Ohio Nov. 30, 2011)
- Resource Title Agency, Inc. v. Morreale Real Est. Servs., Inc., 314 F. Supp. 2d 763, 776 (N.D. Ohio 2004)
- In re Fifth Third Early Access Cash Advance Litig., 925 F.3d 265, 276 (6th Cir. 2019)
- Claris, Ltd. v. Hotel Dev. Servs., LLC, 2018-Ohio-2602, 104 N.E.3d 1076, ¶ 28 (Ohio Ct. App.)
- AtriCure, Inc. v. Meng, 12 F.4th 516, 526 (6th Cir. 2021)
- Peters v. Columbus Steel Castings Co., 2006-Ohio-382, 2006 WL 225274, ¶ 11 (Ohio Ct. App.)
- Super Sulky, Inc. v. U.S. Trotting Ass'n, 174 F.3d 733, 741 (6th Cir. 1999)

- A & B-Abell Elevator Co., Inc. v. Columbus/Central Ohio Bldg. & Constr. Trades Council, 73 Ohio St. 3d 1, 1995-Ohio-66, 651 N.E.2d 1283, 1294
- Franklin Tractor Sales v. New Holland N. Am., Inc., 106 F. App'x 342, 344 (6th Cir. 2004)
- Wright v. MetroHealth Med. Ctr., 58 F.3d 1130, 1138 (6th Cir. 1995)
- Bodine Perry, PLLC v. Bodine, 667 F. Supp. 3d 617, 635 (N.D. Ohio 2023)
- Fred Siegel Co., L.P.A. v. Arter & Hadden, 85 Ohio St. 3d 171, 178–79, 1999-Ohio-260, 707 N.E.2d 853
- Trinity Health Sys. v. MDX Corp., 180 Ohio App. 3d 815, 2009-Ohio-417, 907 N.E.2d 746, ¶ 26 (Ohio Ct. App.)
- Belvedere Condo. Unit Owners' Ass'n v. R.E. Roark Cos., Inc., 67 Ohio St. 3d 274, 287, 1993-Ohio-119, 617 N.E.2d 1075 (1993)
- RAM Constr. Servs. of Michigan, Inc. v. TH Restoration, Inc., No. 11 CV 2507, 2012 WL 1854703, at *5 (N.D. Ohio May 21, 2012)
- Allied Diversified Constr., Inc. v. Elite Mechanical, Inc., No. 1:16cev334, 2016 WL 7034238, at *4 (S.D. Ohio Dec. 2, 2016)