

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On May 5, 2006, William J. Fox delivered to the secretary of Dynabazaar, Inc. (the “Company”) notice of his resignation as a director and President and Chief Executive Officer of the Company, effective as of the close of business on May 15, 2006. Mr. Fox had no disagreements with the Company on any matters related to the Company’s operations, policies or practices. The Board of Directors of the Company thanks Mr. Fox for his dedicated service and valued contributions to the Company.

On May 9, 2006, the Board of Directors of the Company appointed James A. Mitarotonda to serve as the Company’s President and Chief Executive Officer, effective as of May 16, 2006.

Mr. Mitarotonda has served as a director of the Company since September 2003 and was President and Chief Executive Officer from January 2004 to December 17, 2004. Mr. Mitarotonda is Chairman of the Board, President and Chief Executive Officer of Barington Capital Group, L.P. (“Barington”), an investment firm that he co-founded in November 1991. Mr. Mitarotonda is also Chairman of the Board and a former Chief Executive Officer of L Q Corporation, Inc. (OTCBB:LQCI.OB), a publicly traded corporation engaged in the professional security, compliance, advisory and investigatory business, and is a director of A. Schulman, Inc. (NASDAQ:SHLM).

The Company is party to an amended administrative services agreement with Barington dated as of December 17, 2004. Under this agreement, which runs through December 31, 2006, Barington is to be paid a fee of \$15,000 per month for performing certain administrative, accounting and other services on behalf of the Company. However, as of March 1, 2006, the Company and Barington agreed to reduce the monthly fee to \$7,500. In addition, Barington is to be paid a fee of \$175 an hour for any legal services provided by Barington on behalf of the Company at the Company’s request. The Company has also agreed that in the event that Barington identifies for the Company, at its request, a business transaction such as a merger, acquisition or joint venture, and/or provides the Company with financial consulting or merger and acquisition services in connection with such business transaction, the Company will pay Barington a fee to be agreed upon between Barington and the Board of Directors of the Company. In connection with the amended agreement, the Company granted in December 2004 options to certain designees of Barington to purchase, in the aggregate, 320,000 shares of the Company’s common stock at an exercise price of \$0.31 per share, the fair market value of the Company’s common stock on the grant date.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 11, 2006

DYNABAZAAR, INC.

By: /s/ Rory J. Cowan
Rory J. Cowan
Chairman