

Corporate & Financial Weekly Digest

October 28, 2011 by Michael S. Gordon

PA District Court Deems "Piercing the Corporate Veil" to be Independent Cause of Action

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The plaintiff filed an action alleging sexual harassment and retaliation by the defendants, but the only claim asserted against defendant, Pressley Ridge Foundation (the Foundation), was a claim for "piercing the corporate veil." This claim did not plead a separate cause of action, but rather, sought to pierce the corporate veil in order to assess liability against the Foundation for the alleged wrongful acts of the other two defendants. The U.S. District Court for the Western District of Pennsylvania held that piercing the corporate veil was a valid, independent cause of action. However, the Court granted the Foundation's motion to dismiss the complaint, finding that the plaintiff's mere recitation of the elements of a veil-piercing claim was insufficient and that such a claim needed to be supported by specific factual averments rather than mere legal conclusions.

Patroski v. Ridge, No. 2:11-cv-1065, 2011 WL 4955274 (W.D. Pa. Oct. 18, 2011)

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