
<i>CP Solutions PTE, Ltd. v. General Electric Co</i> - Second Circuit Rejects Bright Line Approach in Determining “Indispensable” Party Status under Rule 19(b)

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On January 6, 2009, the United States Court of Appeals for the Second Circuit issued its decision in *CP Solutions PTE, Ltd. v. General Electric Co.* (1) holding that a non-diverse defendant was not an “indispensable” party under Rule 19(b) of the Federal Rules of Civil Procedure, even though it was alleged to have breached the contract that was the subject of the lawsuit. In reaching this conclusion, the Court of Appeals emphasized that district courts should not apply rigid tests to determine whether or not a particular party is indispensable, but rather should undertake a flexible fact-specific evaluation, guided by the factors specified in Rule 19(b).

Attorney

- Charles A. Gilman