COMMONWEALTH OF PENNSYLVANIA GOVERNOR'S OFFICE PENNSYLVANIA HUMAN RELATIONS COMMISSION

Nicole DellaFlora Engle, :

Complainant

:

PHRC Case No. 202316656

v. :

:

GenHydro Inc.,

Respondent :

ORDER

AND NOW, this 29th day of August 2024, upon consideration of Respondent's failure to respond to the Rule to Show Cause issued in matter on July 10, 2024 following the filing of a Petition for Rule to Show Cause pursuant to 16 Pa. Code §42.33(c), it is hereby RECOMMENDED, pursuant to 16 Pa. Code §§ 42.33 (d)(4) and 42.131 (c)(1), that the Pennsylvania Human Relations Commission (hereinafter "the Commission") find probable cause, enter a judgment for Complainant on the issue of liability, and order the parties to attempt conciliation.

On or about March 13, 2024, Complainant Nicole DellaFlora Engle (hereinafter "Complainant") filed an amended verified complaint against GenHydro Inc. (hereinafter "Respondent"). In her complaint, Complainant alleged that Respondent discriminated against her based on her sex when, after being notified of her pregnancy, it gave bonuses and company shares to all other employees except for her, reassigned her duties to other employees and excluded her from meetings and work events.

Complainant was hired by Respondent as an Executive Assistant on May 23, 2022. In her Complaint, Complainant alleges that on September 19, 2023, she notified Respondent's CEO Eric Shraud that she was pregnant and wanted to discuss how her 6-week paid leave would be utilized. Complainant also alleges that between September 19, 2023 through January 4, 2024, Shraud avoided discussing her pregnancy-related leave. Complainant alleges that Shraud began excluding her from meetings, events, and parties. Per Complainant, on January 11, 2024, Respondent provided all employees except for Complainant a \$2,000 gift card in lieu of missed paychecks dating back to December 26, 2023. Complainant alleges that Respondent also gave all employees except Complainant shares to the company and began removing and reassigning some of Complainant's duties to other employees.

On or about March 13, 2024, Complainant filed a verified Complaint with the Commission.

On July 10, 2024, Prosecuting Attorney Stacy McNaney petitioned for a Rule to Show Cause, indicating that Respondents had not filed an Answer to the verified Amended Complaint, which was served on Respondents on March 18, 2024 along with a Notice to Defend. PHRC Counsel asserted that, by correspondence dated May 29, 2024, PHRC staff reminded Respondents of their obligation to answer the Complaint.

On July 10, 2024, a Rule to Show Cause was issued, directing the Respondents to respond on or before July 30, 2024. The Rule to Show Cause was served on Respondents by both regular and certified mail. The regular mail copy of the Rule to Show Cause has not been returned. On July 12, 2024, the Office of the Hearing Examiner received electronic correspondence from Respondent CEO Eric Shraud, who stated that there had been no Answer filed because Respondent "no longer has active employees and its facility has been shut down"

and asked how to proceed. This e-mail was sent from an account with a GenHydro domain name, and the signature block contained Respondent's logo and identified the sender as the CEO of Respondent. On August 19, 2024, the Hearing Examiner contacted the parties and requested the Commission's position regarding the issue raised by Respondent in his July 12, 2024 e-mail. On August 19, 2024, Chief Assistant Counsel Stacy McNaney replied to all parties to the e-mail and informed the Hearing Examiner that she had communicated with Mr. Shraud on July 12, 2024. Per Attorney McNaney, Mr. Shraud reported that Respondent has dissolved, vacated the building, has no employees and is moving forward to bankruptcy. Attorney McNaney disclosed to Mr. Shraud that Respondent would still need to file an Answer with the PHRC, to which Mr. Shraud stated he understood. To date, Respondents have not responded to the Rule to Show

Accordingly, it is recommended that the PHRC find probable cause and enter a judgment of liability regarding the allegations of the Complaint. It is further recommended that the Commission direct conciliation efforts to be attempted by the parties. Should conciliation efforts fail, it is recommended that the parties be informed that a public hearing may be held on the issue of damages.

PENNSYLVANIA HUMAN RELATIONS COMMISSION

By:

Cause.

Tamara Shehadeh-Cope, Hearing Examiner

COMMONWEALTH OF PENNSYLVANIA GOVERNOR'S OFFICE PENNSYLVANIA HUMAN RELATIONS COMMISSION

Nicole DellaFlora Engle, :

Complainant

:

: PHRC Case No. 202316656

V.

:

GenHydro Inc., :

Respondent :

ORDER

AND NOW, this <u>23rd</u> day of <u>September</u> 2024, upon consideration of the Recommendation of the Hearing Examiner dated August 29, 2024, which is adopted and incorporated as if fully set forth herein, it is hereby **ORDERED**, pursuant to 16 Pa. Code §42.33(d)(4), as follows:

- 1. Probable cause is found; and
- 2. Judgment is entered for Complainant on the issue of liability.

Because of Respondents' failure to file an answer to the Amended Complaint, we hereby determine that:

1. Respondents discriminated against Complainant based upon her sex when, after being notified of Complainant's pregnancy, it excluded Complainant from meetings, events and provided other employees except for Complainant a monetary gift in lieu of a paycheck and company shares, in violation of 43 P.S. §§951-963 and implementing regulations at 16 Pa. Code §§41.1-47.74.

IT IS FURTHER ORDERED that conciliation efforts shall be attempted and if such conciliation fails or cannot be conducted due to a failure of any party to participate, a public hearing on the issue of damages may be approved.

PENNSYLVANIA HUMAN RELATIONS COMMISSION

By:

M. Joel Bolstein, Esquire

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Chair

Attest:

O/B/O Commissioner Mayur Patel

Mayur Patel, Secretary