



Risk Management Foundation

Education • Prevention • Preservation

Case Study: Masters v. Sigma Chi

Presented by the Risk Management Foundation

Directions

1. You have been chosen as either plaintiff's attorney representing Kathleen Masters, or as defense counsel for the Sigma Chi entities.
2. Discuss with your colleagues the best arguments and prepare to present your position to the opposition in a mock trial.

The Case

A Pacific Northwest Chapter spent their Spring Break on houseboats at Lake Shasta. It is the tradition at the university for all undergrads to vacation there, and it was also known as a place to informally rush pledges for the following fall. The chapter invited a group of friends, brothers, pledges and guests to kick back and relax for a week on several houseboats. To make it easier to reserve the boat and collect money from guests, a brother paid for the rental of the boat and had the guests reimburse him. Though it was never intended to be a chapter event, one of the brothers made up t-shirts that has the organization's name and "Shasta 1988" printed on it to commemorate the event.

The boat company, Water Boats, Inc., was aware that the men appointed to be captains did not have extensive training on driving boats. The company did require that these men go through a safety lecture before anyone boarded the vessels. Water Boats, Inc. was also aware that large amounts of alcohol were probably going to be brought aboard. Individuals brought on kegs and various bottles of hard liquor to share with everyone. All of the guests on the boat decided to partake in the fun and consumed alcohol on the trip. The first night was a big one. Nearly all of the guests, including a brother's date named Kathleen Masters, stayed up until 5:00 a.m. partying and drinking. The next morning, at approximately 8:00 a.m., Kathleen woke up and went to sit in the sun at the edge of the boat, near the motor. Many of the guests were still intoxicated, including Kathleen. The driver, Marty, was not legally intoxicated. He had consumed alcohol the night before and had not slept in over 36 hours. Everyone on the boat wanted to get an early start on the lake and anchor out at a prime spot. Without warning, Marty put the boat in gear, and it began to move forward.

Kathleen lost her balance, fell in the water and was immediately sucked into the propeller. Two brothers jumped in to help her. Despite their attempts at rescue, Kathleen's foot got caught in the motor's blades. She was air lifted to a trauma hospital. Kathleen sustained broken bones, lacerations, multiple contusions and abrasions to her lower left foot and ankle. She lost her fifth toe as well as the majority of her fourth toe. In spite of all that was done for her, Kathleen has suffered much pain and long-term damage. She will live with the deformity of her left foot forever and will never be able to walk without wearing shoes.

Facilitator's Guide

LEADING THE CASE STUDY

We suggest this exercise be completed in one of two ways:

1. All participants being assigned to “plaintiff” and “defendant” teams.
2. If there is a larger group, assign a group to be “jurors,” and send them out of the room while the “plaintiffs” and “defendants” prepare their arguments. Next, hold the trial and have the “jurors” decide fault and monetary reward.

Read to the participants:

By the end of this exercise, you will know more about Risk Management while also learning new ways to use preventative measure in all chapter activities in order to lower the chances of a claim occurring. The case study you will be given is based upon an actual claim. All names have been changed.

Hand out the case study. Spend a few minutes with the group, reading through the case study. Depending upon the size of the group, read one of the following:

1. We will divide into two groups. One will play the role of “plaintiff,” arguing facts in an attempt to convict the fraternity. The other group will take on the role of “defendant” and defend the fraternity against the accusations that they were responsible for the activities that took place. Please take 15 minutes to prepare your arguments. Please agree on one representative to present your case.
2. I need volunteers – you will be jurors and decide the fault and monetary reward in this case. Please leave the room, returning in 15 minutes. The remaining group will be divided into two groups. One will play the role of “plaintiff” and argue facts that will attempt to convict the fraternity. The other group will take on the role of “defendant” and defend the fraternity against the accusation that they were responsible for the activities that took place. Please take 15 minutes to prepare your arguments. Please agree on one representative to present your case.

During this time, spend a few minutes with each group and ensure they are discussing the issues at hand. Also, be sure to set up the room in order to facilitate a mock trial.

CONCLUSION

The fraternity paid \$67,990.46 in attorney’s fees and \$30,000.00 to Kathleen as a settlement. Because of comparative fault judgment, fault and monetary award is divided between the parties that are held accountable. Water Boats, Inc. was held partially responsible and paid out additional monies in the settlement.

REFLECTION QUESTIONS

- What do you think constitutes an organization’s sponsored event?
- Can you see how the preceding actions can be construed as an organized event?
- Though this was an accident, what could have been done to prevent it from occurring?

CLOSING THOUGHTS

Many chapters often think, “What is the bare minimum we have to do to comply with our policies?” This preoccupation with the bare minimum and finding “loop holes” seriously misses the point.

Consider this, as members of the Greek World we expect more of ourselves than we do of others. Is this case an example of adhering to such expectations? How could have things been done differently? What will you do to make a difference for your organization?