

## **Liability Case Study**

### Unofficial Chapter Houses

A member attended a party at an “unofficial” chapter house. The “unofficial” chapter house was actually an apartment, in which four chapter members lived together. The apartment came to be known on campus as your organization’s chapter house. The member was very intoxicated, and some other chapter members arranged for a fraternity chapter member to drive her home. The fraternity chapter member accidentally ran over her as he was backing out of her driveway.

In the discovery process of the claim, it was revealed that a traveling consultant from the national organization had visited with this specific chapter the week before. The plaintiff’s attorney found evidence that the traveling consultant had participated in drinking games with the chapter members.

The insurance company settled the claim on behalf of the plaintiff for just under \$1M.

#### *Issues to address:*

- Do you have locations that are not official chapter houses that might appear to be chapter houses? If so, what can you do to minimize “unofficial” chapter houses from appearing as chapter houses on your campus?
- How does the traveling consultant’s actions and behavior contribute to the negligence and liability of the sorority?
- What risk management policies should have been in place to minimize the likelihood of a claim like this happening again?