

BSL 476: Law of Risk
Group Project Submission Report

Group 2: Clay Bockhorst, Ivana Liberatore, Quinn McKie, Zack Stevens
November 12th, 2025

I. Case Fact Pattern

On August 1st 2025, Alex Riveria and Maya Chen, two film enthusiasts shooting a documentary around Southern California, received written approval via email from the University of Southern California (USC) Administration to film a short segment for their documentary. The filming would occur on September 22nd in the central campus plaza by Alex with a drone while Maya joins him to supervise and consult. The agreement specified that (1) USC would make sure the filming area was clear for filming and (2) Alex would complete a pre-flight checklist and comply with all FAA drone operation requirements.

One September 8th, USC facilities confirmed with Alex and Maya that the area would be cleared for drone operation. On September 16th, USC agreed to host ESPN College GameDay at the USC Village Great Lawn before a football game on September 20th. On September 18th, Facilities informed Alex and Maya that while the GameDay stage would occupy their filming area on September 20th, it would be cleared within 24 hours (by 10:00 a.m. on September 21st). The College GameDay event took place as scheduled without issue on September 20th. The facilities team began breakdown early the next day, but due to heavy rain, arrived late and finished behind schedule, around 10:45 a.m., leaving one stage light behind, partially hidden by a tree.

On September 22nd at 5:30 p.m., Alex got to campus and stopped at Rock & Reily's, an on-campus bar, where he was allegedly served 3 beers, all under 7% ABV by Eddy Jones. He then left the bar, and met up with Maya at the central campus plaza to begin filming. Despite being FAA-certified, Alex forgot to complete the required pre-flight checklist as agreed upon between both parties. In low lighting as Alex was flying the drone over their filming area, the drone struck a forgotten stage light, causing it to fall. The light hit Alex's right arm and shattered when it hit the ground, causing glass to shatter and hit Alex's right eye.

Maya immediately transported Alex to Keck University Hospital Emergency Department and arrived at 8:45 p.m. He was diagnosed with a broken right arm and a serious right eye injury resulting in permanent loss of depth perception. Surgeries were performed the next morning (September 23rd) on both his arm and eye. Alex was discharged on September 24th with a medical bill of \$42,505. On September 26th, Alex emailed Jordan Blakem his future supervisor at SkyFly Cinematics, notifying him of the incident and attaching the physician's report. The following day (September 27th), Jordan responded, and cited Section 4(b) of Alex's Employment Agreement, terminating the contract due to the long-term inability for Alex to perform his essential job duties of filming for the company. This results in a loss of \$220,000 in future wages earned.

On October 1st, USC received a demand letter from Alex's attorney, Greg Smith, seeking \$3,000,000 in damages for loss of future wages, past and future medical expenses, property damages and pain and suffering.

II. Risk Transfer

Risk Transfer Options

The University of Southern California has retained the risk for this incident given the Self-Insured Retention. The potential for risk transfer is negligible given the Excess Liability Policy addressed in the Declarations Page is not triggered and the total claim value is below the monetary threshold where the excess coverage would be extended. There is no gap in coverage for this event as the loss is covered and funded through the Self-Insured Retention.

Available Insurance and Coverage

The available insurance was Commercial General Liability and more specifically structured as a Self-Insured Retention (SIR) and Excess Liability Policy. The policy was in effect at the time of the incident. The University of Southern California maintains a Self-Insured Retention of \$1,000,000 per occurrence. Above the \$1,000,000, excess liability coverage is covered by Flash Insurance up to \$2,000,000.

Limits of Insurance

Both Bodily Injury & Property Damage as well as Personal Injury coverage are limited to \$2,000,000 per occurrence. The first \$1,000,000 of each claim falls under the University of Southern California's Self-Insured Retention in terms of coverage before the excess liability coverage can be applied. Given that the damages are from \$402,000 on the low end to \$812,000 and do not exceed the Self-Insured Retention, the University of Southern California is responsible for paying the entirety due to the Self-Insured Retention.

Uninsured Exposure

Given that the total claim value falls below the University of Southern California's Self-Insured Retention of \$1,000,000, there is minimal uninsured exposure.

Indemnity Obligations/Rights

There is no clause establishing an indemnity obligation or right.

III. Economic Exposure

In order to best analyze this case, it was essential to analyze the economic exposure associated with the accident on September 22, 2025. To properly calculate these damages, it was essential for our team to analyze Alex's medical reports, conduct medical research, establish legal precedence for similar injuries, and investigate Alex's reported loss of earnings. In this investigation, we calculated Alex's special and general damages. This creates a range for Alex's total damages, and, in turn, influences our later decisions on settlement values versus litigation. The rest of this section will explore the damage calculations.

First, it is essential to retrieve Alex's medical reports and pin point his past medical expenses from the accident. Due to the stage light and drone crash, Alex suffered injuries to his right arm and right eye. His right arm was hit by the falling stage light, causing a right proximal humerus fracture and mild

displacement. Moreover, after the stage light hit the ground, the glass from the light shattered, causing a corneal laceration in Alex's right eye. This laceration caused a loss of depth perception in Alex's right eye.

Alex's medical report outlines the following preceding expenses that are factored into his total damages:

Emergency and Diagnostic Care (subtotal: \$5,775)

- Emergency room evaluation, triage, trauma care: \$2,475
- CT scan of orbits and head (non-contrast): \$1,650
- X-ray of right shoulder and humerus: \$825
- Laboratory work (CBC, BMP, coagulation): \$825

Ophthalmic Surgery and Eye Care (subtotal: \$13,550)

- Corneal laceration repair and anterior chamber washout: \$7,950
- Pars plana vitrectomy (for vitreous contamination): \$3,950
- Post-operative medications and follow-ups (3–6 months): \$1,650

Orthopedic Care (Non-Surgical Management) (subtotal: \$3,575)

- Orthopedic evaluation and immobilization of right arm (sling and casting): \$1,875
- Follow-up imaging and clinical assessments: \$1,000
- Outpatient observation and medications for pain management: \$700

Rehabilitation and Therapy (subtotal: \$6,275)

- Physical therapy for right arm (1-2 sessions per week for 6 weeks): \$3,375
- Occupational therapy (adaptive use, ADLs): \$1,500
- Vision therapy and adaptive training (monocular depth cues): \$1,400

Assistive Equipment and Long-Term Support (subtotal: \$13,330)

- Adaptive or visual aids (magnifiers, adaptive hardware): \$3,530
- Periodic follow-up imaging, eye exams, prescriptions: \$2,300
- Future adaptive rehab or replacement equipment (5-year horizon): \$7,500

Total Past Medical Expenses: \$42,505

As shown above, the past medical expenses are **\$42,505**. This report highlights the costs already incurred by the plaintiff. Alex has already been billed for some scheduled future checkups; however, his future medical expenses are more ambiguous and debatable. While it is likely his right arm will recover and his fracture will heal, his mild displacement causes concern for functionality long term and the expense of future medical visits (physical therapy, Ophthalmology visits, etc.) Our research provided that future medical expenses could average about **\$39,000** in damages. However, due to ambiguity in his arms recovery and his long term eye recovery, we have created a future medical expenses range from **\$12,000 - \$72,000**.

Next, in continuing to look at the special damages addressed in this case, the issue of Alex's contract with SkyFly Cinematics emerged. Alex Rivera signed a contract with SkyFly Cinematics for \$110,000 a year for a two-year film project. It detailed in the contract, "This Agreement and all compensation obligations are expressly contingent upon the Employee's continued ability to perform the essential duties of the position." Therefore, due to Alex's loss of depth perception in his right eye, he will not be able to perform his duties in operating a drone for SkyFly. His total loss of earnings is **\$220,000**. Moreover, the drone crash caused his drone to irreparably break. The replacement cost of his *DJI Mavic 4 Pro Drone* is **\$3,000**.

The General Damages of this case are more difficult to specify and leave a greater margin of error for the jury. Loss of consortium and deformity are not relevant in this case; however, pain and suffering is very difficult to calculate. To interpret possible pain and suffering allocation, we used two methods to verify: Per-diem framing and Cross-Check Multiplier. Per-diem framing is expressly permitted by CA Law and allocates higher pain and suffering damages to an acute phase (within 6 months) and lower damages to the chronic phase (years 1-30). This analysis concluded damages of \$195,750. Using the Cross-Check Multiplier, for a permanent partial visual disability with daily impact, a ~2.5×–3.5× sanity band is common in serious, non-catastrophic injuries. This calculation gave us a range from \$203,000 - \$284,000. However, legal precedent for similar cases such as *Jones v. University of California* and *Smith v. Stage Works Inc* yielded total awards reflecting a ~3x-5x multiplier on medical specials. Given the permanent loss of depth perception, long-term occupational limitations, and fracture-related recovery, a broader range of **\$125,000 - \$475,000** has been allocated for pain and suffering.

Based on the calculations above, Alex Rivera's total damages can be reasonably estimated by combining special and general damages. The special damages include past medical expenses of \$42,505, future medical expenses ranging from \$12,000–\$72,000, lost earnings of \$220,000, and property damage of \$3,000, resulting in a special damages subtotal between \$277,505 and \$337,505. When the broader pain and suffering range of \$125,000–\$475,000 is added, Alex's total potential damages range from approximately **\$402,000** on the low end to **\$812,000** on the high end.

IV. Recommendation to the Board: Settlement

Based on our analysis of legal exposure, the available insurance coverage, estimated damages, and high SIR, we recommend that USC pursues a strategic settlement with Alex. This would resolve the injury claims arising from the drone incident and prevent the University from engaging in litigation, which could damage its reputation and would entail high economic costs. The settlement range we recommend is based on an analysis of the elements of negligence and USC's share of liability.

Duty of Care

In our analysis, there is no dispute that USC owed a duty of care to Alex and Maya. Based on the email correspondence and our responsibility as a University, we owed a duty to provide a reasonably safe filming environment. Alex, who was a permitted drone operator and guest on our campus, was owed a general duty of safety that is owed to anyone on our property.

- Assessment: 100%. No dispute and can be easily proven at a court trial.

Breach of Duty

Breach of duty would be established by proving that USC did not exercise reasonable care in ensuring the area was clear for filming. The trial court would have to prove that USC failed to do what a reasonable person would in this situation. While there's evidence of a possible breach, this is a point of contention that could be argued at court.

- a. Evidence for breach: facilities did fail to remove the stage light despite assurances (in writing, over email) that the site would be clear by the time of filming. We failed to maintain safe conditions even though we were aware of the filming taking place.
 - High-end assessment of breach: 90%
- b. Evidence against breach: the heavy rain delayed cleanup and the staff substantially completed their duties. The remaining light was not easily visible and given the weather conditions, our staff acted as a reasonable person would in those circumstances. This would be arguable in court, but a jury might still find we breached our duty given the email correspondence and our failure to completely clear the area.
 - Low-end assessment of breach: 80%

Causation

“But for” causation can be regarded with no contention. “But for” USC’s failure to remove the stage light, the drone would not have hit the light, causing it to strike the ground and Alex’s injury.

- Assessment: 100%.

Proximate causation can be disputed as a point of contention based on the foreseeability of the injury. As evidence for proximate causation, it can be argued that it is foreseeable for a collision – and the injury that follows – to occur if a stage light is hidden from plain sight while there will be a drone filming. In other words, the jury would find the hazard (hidden stage light) foreseeably dangerous to any operator.

- High-end assessment: 90%

On the other hand, the specific sequence of events, in which the alleged impaired drone operation and lack of pre-flight checklist created a collision, wasn’t foreseeable at the time the light was left behind.

- Low-end assessment: 70%

Damages

As calculated earlier, our damage exposure ranges from \$402,000 - \$812,000

Defendant’s Fault

Another factor we must take into consideration is the defendant's fault. California, where USC is located, follows a pure comparative negligence system that allows recovery even where a plaintiff is largely at fault. Factors increasing USC’s fault include prior written assurances that the area would be clear and failure to control their property and verify site clearance . This leads to a high-end assessment of 80%. On the other hand, the factors decreasing USC’s fault include the witness testimony regarding

Alex's intoxication and Alex's improper completion of the pre-flight checklist, which contributed to the collision. This leads to a low-end assessment of 55%.

Based on the quantitative analysis, we recommend a settlement range of:

Low-end of range = $\$402,000 \times 1 \times 0.8 \times 1 \times 0.7 \times 0.55 = \mathbf{\$123,816}$

High-end of range = $\$812,000 \times 1 \times 0.9 \times 1 \times 0.9 \times 0.7 = \mathbf{\$526,176}$

Therefore, we recommend that the USC Board authorizes an early settlement with a target range of **\$124,000 - \$526,000**. We recommend avoiding litigation, which would lead us to incur high attorney fees and most importantly, negatively impact our reputation as an institution that values campus safety. This way, we ensure we are demonstrating accountability and commitment to safety, while settling below the SIR limits and preventing reputational damage. We also recommend the following implementations in the future to prevent situations that leave the institution vulnerable to liability exposure.

V. Procedural Policy and Changes

Existing Policy Exposure

The policy states that the facilities team is responsible for area clearance. This is the only team responsible for ensuring clearance. No part of the policy requires secondary verification of clearance such as supervisor approval for confirmation that the area has fully been cleared.

There are no provisions to ensure preflight guidelines are followed and approved. This gap allows for potential liability exposure even if the party does not follow guidelines. A rejection of flight due to preflight guidelines not being met would have allowed for the avoidance of this injury. The guidelines require a revision to ensure the company can oversee that the guidelines are followed and can also tighten the guidelines. Overall, lowering potential exposure.

There is no liability waiver for assumption of risks involved and guidelines to follow for hazardous activities, so the University of Southern California can potentially be liable for the risks involved with activities in the area and more specifically more hazardous activities such as drone flights. Burden of fault can be significantly shifted away from the University of Southern California due to the assumption of risk clause in the waiver.

Proposed Changes

For future risk avoidance and risk minimization to attempt prevention and minimization of risk from re-occurring a supervisor should sign off on the area clearance. This is an extra set of eyes on the area to ensure the area is actually cleared.

The addition of a provision in policy where a party must submit the pre-flight checklist for approval before flight would ensure that not only does the requesting party do their due diligence on the area but allows for an opportunity for the University of Southern California to reject performance if the checklist is done incorrectly or all items on the checklist do not pass clearance.

The acknowledgement of assumption of risk in a signed waiver should also include that the performing party must adhere to being sober and other safety procedures such as a height and speed limit. These provisions can significantly reduce the amount of liability for accidents and damages on the University's side if the defendant party assumes risk of performance and/or doesn't follow the height and speed limits guidelines.

VI. Exhibits

Exhibit 1: Declarations Page - Zack Stevens

FLASH INSURANCE DECLARATIONS PAGE

Name Insured:	University of Southern California 3551 Trousdale Parkway Los Angeles, CA 80099
Policy Number:	USC-GL-2025-02
Policy Type:	Self-Insured General Liability Program with Excess Liability Coverage
Coverge Period:	Janaury 1, 2025 - December 1, 2025
Admisntered By:	USC Risk Management
Excess Insurer:	Flash Insurance
Policy Form:	Occurrence-based
Premium:	\$425,000 <i>(University self-insure up to \$1,000,000 per occurrence)</i>

COVERAGE SUMMARY

Coverage Type	Limit	Retention/Deductible
General Liability - Bodily Injury & Property Damage	\$2,000,000 Per Occurence	\$1,000,000 Self-insured Retention
Personal Injury	\$2,000,000 Per Occurence	\$1,000,000 Self-insured Retention

Exhibit 2: SkyFly Cinematics Employment Contract - Quinn McKie

EMPLOYMENT AGREEMENT

This Employment Agreement ("**Agreement**") is entered into on this **15 day of April, 2025**, by and between **SkyFly Cinematics, LLC**, a California limited liability company ("Employer" or "SkyFly"), and **Alex Rivera** ("Employee" or "Drone Operator").

1. Position and Duties

SkyFly Cinematics hereby employs Alex Rivera as a **Drone Operator** for aerial cinematography and related production duties in connection with the feature film project tentatively titled "**Horizons**" (the "Project").

Employee shall perform all services customarily associated with this position, including pre-flight inspections, drone operation, footage capture, compliance with FAA and production safety standards, and coordination with the cinematography team.

Employee agrees to devote full working time, attention, and best professional efforts to the Project.

2. Term of Employment

The term of this Agreement shall commence on **Jun 15, 2026**, and continue for approximately **two (2) years**, concluding on **June 14, 2028**, unless extended or terminated earlier in accordance with this Agreement.

3. Compensation

a. **Salary:** Employee shall receive a total compensation of **Two Hundred Twenty Thousand Dollars (\$220,000)** for the full term of this Agreement, payable in equal biweekly installments in accordance with SkyFly Cinematics' standard payroll schedule.

b. **Benefits:** Employee shall not be entitled to any additional benefits except as expressly provided herein.

c. **Taxes:** All compensation shall be subject to applicable federal, state, and local taxes and withholdings.

4. Contingency and Conditions Precedent

This Agreement and all compensation obligations are **expressly contingent upon Employee's continued ability to perform the essential duties of the position.**

If Employee becomes **unable to perform** such duties due to injury, illness, incapacity, family emergency, or any other circumstance preventing active participation in aerial drone operations for a period exceeding **ten (10) consecutive business days**, the following shall apply:

- a. Employer shall have the **right to suspend payment** of salary during such period of non-performance.
- b. If such inability continues for more than **thirty (30) consecutive calendar days**, this Agreement shall be deemed **terminated for cause**, and **no further compensation shall be owed** beyond amounts earned through the last day services were actually performed.
- c. Employee acknowledges and agrees that **no compensation shall be due or payable** for any unperformed services under this Agreement, including in cases of personal injury, illness, or family emergency, and that any salary already advanced beyond the date of incapacity shall be subject to reimbursement or offset against future earnings.

5. Independent Contractor / At-Will Status

Employee acknowledges that this Agreement does not create a guarantee of employment beyond the Project's duration.

SkyFly Cinematics may terminate this Agreement at any time for cause, including but not limited to unsafe conduct, gross negligence, breach of policy, or inability to perform assigned duties.

6. Ownership of Work Product

All video footage, photographs, and digital materials captured by Employee in connection with the Project shall be deemed "**work made for hire**" under the U.S. Copyright Act and shall be the sole and exclusive property of SkyFly Cinematics. Employee waives any and all rights to such materials.

7. Confidentiality

Employee shall not disclose, release, or share any behind-the-scenes information, proprietary methods, or footage captured for the Project without the prior written consent of SkyFly Cinematics.

8. Indemnification

Employee agrees to indemnify and hold harmless SkyFly Cinematics and its affiliates from any claims, losses, damages, or liabilities arising out of Employee's breach of this Agreement or failure to comply with applicable FAA safety standards, unless such breach or failure arises solely from Employer's direction or negligence.

9. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the **State of California**, without regard to its conflict of law principles.

10. Entire Agreement

This document constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any prior agreements, oral or written. Any modification must be in writing and signed by both parties.

11. Acknowledgment of Contingency

Employee acknowledges understanding that compensation is **contingent upon full performance**, and that **no payment is owed for periods of non-performance** due to injury, incapacity, or other personal reasons.

12. Execution

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SkyFly Cinematics, LLC

By: **April 16, 2025**

Name: Jordan Blake

Title: Executive Producer

Date: **April 16, 2025**

Employee: Alex Rivera

Signature:

Alex Rivera

Date: **April 15, 2025**

Exhibit 3: Medical Report - Quinn McKie

KECK UNIVERSITY HOSPITAL — TRAUMA & OPHTHALMOLOGY SERVICES
MEDICAL RECORD

Patient:

Name: Alex Rivera

MRN: 000-XX-2025

DOB: November 15, 2001

Date of injury: September 22, 2025

Date/time ED arrival: September 22, 2025 — 20:45

Prepared by: Dr. Lauren Park, MD (Ophthalmology) & Dr. Henry Morales, MD (Orthopedic Trauma)

1. Triage / ED Record (Initial encounter)

Time: 20:45 — Triage RN: J. Alvarez

Chief complaint: Acute right-arm pain and right eye trauma after being struck by falling stage light; reported glass penetration to right eye; decreased vision and loss of depth perception.

History of present illness: Patient operating an aerial camera drone at ~20:00 when drone impacted a stage light left on site. The light dislodged, struck the patient's right upper extremity, then fell to the ground and shattered; patient reports glass entered right eye immediately thereafter. Transported to ED by colleague (arrived ~20:15). No loss of consciousness. Reports immediate pain, swelling, and visual disturbance (blurry vision and inability to judge distances with the right eye).

Allergies: NKDA

Medications: None reported

Past medical history: Noncontributory

Social history: Nonsmoker

Occupation: Drone operator / filmmaker

Vital signs on arrival: T 98.6°F; HR 96; BP 130/84 mmHg; RR 18; SpO₂ 99% RA

PE — Selected findings:

- General: Alert, oriented ×3; distressed by pain.
- Right upper extremity: Deformity and swelling over proximal humerus; tenderness, crepitus; limited ROM due to pain; distal neurovascular status intact.
- Right eye (OD): Conjunctival injection; visible corneal abrasion; embedded foreign material suspected on slit-lamp exam; decreased visual acuity OD (approx. 20/200 bedside); depth perception function absent on bedside stereo testing. Left eye (OS) within normal limits.
- Neuro: Nonfocal exam otherwise.

ED testing ordered:

- X-ray right shoulder/humerus (AP and lateral) — ordered STAT.
- Noncontrast CT head and orbits — ordered STAT.
- Slit-lamp exam and fluorescein stain by ophthalmology.
- Basic labs (CBC, BMP, coagulation) — ordered.

Initial ED treatment: Tetanus update given as indicated; IV analgesia (morphine 4 mg IV PRN), IV broad-spectrum antibiotics (per ocular trauma protocol), topical ocular antibiotic drops applied after irrigation, right arm immobilized in sling/splint. Ophthalmology and orthopedics consulted emergently.

Documentation note: Patient informed consent obtained for emergent procedures; patient declined mention of alcohol use on scene. Per best practice, documentation was time-stamped and generated contemporaneously in ED chart to preserve chain of care and chronology. (See documentation guidance: request/scan records promptly and keep chronological timeline).

2. Diagnostic Results (ED)

Imaging (9/22 — results within 60–90 minutes):

- X-ray right shoulder/humerus: Comminuted proximal humeral fracture with mild to moderate displacement.
- CT orbits (noncontrast): High-density linear foreign bodies consistent with glass fragments in anterior chamber/corneal stroma; globe contour irregularity suspicious for corneal laceration; no gross optic nerve transection identified.

Ophthalmology slit-lamp findings: Corneal laceration ~2.5 mm with anterior chamber reaction; particulate matter visualized; pupillary reactivity decreased OD.

Assessment in ED: Right proximal humerus fracture; right ocular penetrating/abrasive injury with retained intraocular foreign material; acute pain; risk for permanent visual sequelae — patient admitted for operative management.

3. Pre-Op / Consent & Plan

Date/Time: 21:40, 9/22/2025

Procedures planned (consent obtained):

1. Ophthalmology: OR exploration OD, removal of accessible glass fragments, anterior chamber washout, corneal laceration repair; possible pars plana vitrectomy if posterior segment contamination identified.
2. Orthopedics: ORIF right proximal humerus fracture (plate and screw fixation) with irrigation and debridement of soft tissues.

Risks/benefits discussed: Bleeding, infection, anesthesia risk, potential for incomplete removal of fragments, persistent visual impairment including loss of depth perception and decreased acuity, need for future surgeries, and possibility that visual function may not be restored despite optimal surgical care. Consent documented in chart.

4. Operative Report — Ophthalmology (9/23/2025)

Surgeon: Lauren Park, MD

Procedure: Right eye corneal laceration repair, anterior chamber washout, removal of accessible intraocular glass fragments; pars plana vitrectomy performed for vitreous contamination as indicated.

Findings: Corneal laceration with intra-ocular glass fragments in anterior and posterior chamber; vitreous opacification consistent with contamination/hemorrhage; retina examined intra-op — areas of contusion and edema noted. Significant posterior segment injury with retinal edema; reattachment not indicated intra-op.

Procedure details (brief): Under general anesthesia, standard operative microscope technique used to explore corneal laceration; primary closure with interrupted 10–0 nylon sutures. Anterior chamber irrigated; accessible glass fragments removed. Pars plana vitrectomy via standard 3-port approach performed; posterior inflammation and vitreous debris removed to extent feasible. Tamponade not required. Subconjunctival antibiotics and steroid injected per protocol.

Estimated blood loss: minimal. Complications: none intra-op.

Post-op condition: Transferred to PACU stable; no immediate improvement in light perception documented post-op (NLP or decreased acuity as per bedside).

5. Operative Report — Orthopedics (9/23/2025)

Surgeon: Henry Morales, MD

Procedure: Open reduction and internal fixation (ORIF) of right proximal humerus fracture with plate and screws; irrigation and debridement of contiguous soft tissue.

Findings: Comminuted proximal humeral fracture with metaphyseal extension; satisfactory reduction achieved; hardware placement verified under fluoroscopy.

Post-op course: Limb immobilized; neurovascular status intact; analgesia and DVT prophylaxis per protocol.

6. Hospital Course (9/23–9/24/2025)

- Post-op days 0–3: Patient stable. Pain controlled with multimodal analgesia. Ophthalmology performed bedside checks and documented persistent markedly reduced visual acuity OD; no light perception to hand motion depending on testing (final assessment: severe loss of stereopsis and depth perception noted). Orthopedics ordered post-op x-ray showing stable fixation. Early passive ROM initiated by PT for right shoulder on day 2.
- Consults: Vision rehabilitation team and occupational therapy consulted. Social work engaged for discharge planning and home support assessment.
- Disposition: Discharged home on post-op day 1 (9/24/2025) with instructions for strict eye protection, sling use, no lifting >5 lbs, no driving, and scheduled follow-ups with Ophthalmology (within 7 days) and Orthopedics (2 weeks). Outpatient PT arranged.

Documentation note: All procedures, consents, and progress notes were contemporaneously entered into the inpatient chart with signatures and timestamps (consistent with legal best practices for record continuity).

7. Final Diagnoses (Hospital)

1. Traumatic right proximal humerus fracture — status post ORIF (9/23/2025).
 2. Traumatic right eye penetrating injury with corneal laceration and posterior segment damage — pars plana vitrectomy and corneal repair (9/23/2025).
 3. Permanent right monocular visual disability with **loss of stereoscopic depth perception** (expected permanent deficit).
 4. Soft tissue contusions.
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8. Prognosis & Functional Assessment

Ophthalmology: Given the extent of posterior segment damage and persistent profound stereopsis deficit post-operatively, **full restoration of binocular depth perception is unlikely**.

Monocular compensation and therapy can improve functional outcomes for ADLs but cannot restore stereoscopic depth cues; occupational limitations will persist for tasks requiring precise depth judgement (e.g., piloting drones, certain construction or surgical tasks). (Clinical guidance: binocular stereopsis is the principal mechanism for fine depth perception; monocular cues may partially compensate but not fully restore stereopsis).

Orthopedics: With successful union and therapy, patient expected to regain full function of the right arm after 6 weeks in a sling.

9. Discharge Instructions (summarized)

- Ocular: Eye shield at night for 2 weeks; topical antibiotic drops QID × 2 weeks; steroid drops per taper; avoid rubbing eye; return immediately for increased pain, discharge, fever, or change in vision. No driving until cleared by Ophthalmology. Vision rehabilitation referral provided.
 - Orthopedics: Sling for 4–6 weeks; passive ROM per PT; weight-bearing restrictions per surgeon; follow-up in 2 weeks for wound check and x-ray.
 - Activity: No heavy lifting >5 lbs for 6 weeks; home assistance recommended for first 2 weeks.
 - Follow-ups: Ophthalmology within 7 days; Orthopedics in 2 weeks; PT to begin within 7–10 days.
-

10. Recommended Long-Term Care & Rehabilitation Plan

- Vision rehabilitation: Orientation & mobility training; ADL retraining; adaptive technology evaluation (magnifiers, monocular aids, high-contrast tools), counseling for

driving cessation or adaptive driving evaluation as needed.

- Occupational therapy for adaptation to monocular vision and right arm limitations.
 - Periodic ophthalmology monitoring (q1–3 months initially).
 - Formal vocational rehabilitation evaluation if employment is impacted.
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11. Appendix — Itemized Medical Cost Estimates (for exposure modeling)

Emergency and Diagnostic Care (subtotal: \$5,775)

- Emergency room evaluation, triage, trauma care: \$2,475
- CT scan of orbits and head (non-contrast): \$1,650
- X-ray of right shoulder and humerus: \$825
- Laboratory work (CBC, BMP, coagulation): \$825

Ophthalmic Surgery and Eye Care (subtotal: \$13,550)

- Corneal laceration repair and anterior chamber washout: \$7,950
- Pars plana vitrectomy (for vitreous contamination): \$3,950
- Post-operative medications and follow-ups (3–6 months): \$1,650

Orthopedic Care (Non-Surgical Management) (subtotal: \$3,575)

- Orthopedic evaluation and immobilization of right arm (sling and casting): \$1,875
- Follow-up imaging and clinical assessments: \$1,000
- Outpatient observation and medications for pain management: \$700

Rehabilitation and Therapy (subtotal: \$6,275)

- Physical therapy for right arm (1-2 sessions per week for 6 weeks): \$3,375
- Occupational therapy (adaptive use, ADLs): \$1,500
- Vision therapy and adaptive training (monocular depth cues): \$1,400

Assistive Equipment and Long-Term Support (subtotal: \$13,330)

- Adaptive or visual aids (magnifiers, adaptive hardware): \$3,530
- Periodic follow-up imaging, eye exams, prescriptions: \$2,300
- Future adaptive rehab or replacement equipment (5-year horizon): \$7,500

Total Past Medical Expenses: \$42,505

12. Medical Record Integrity & Documentation Notes

Per accepted best practice for workplace injury documentation, the medical record includes: a clear, contemporaneous chronological narrative (time-stamped ED, consult, procedure, and progress notes), objective findings (imaging, vitals, exam), explicit linkage of injury mechanism to diagnosis (event description + imaging), informed consent documentation, and a defined plan for follow-up and rehabilitation. These practices aid both clinical care and legal/claims processes — request and secure records early, maintain scanned copies, and keep a clear timeline.

13. Signatures

Prepared/Dictated by:

Lauren Park, MD — Ophthalmology (signature on file)

Henry Morales, MD — Orthopedic Trauma (signature on file)

Exhibit 3: Facilities Policies - Clay Bockhorst

USC Equipment Policy

Issued: August 31, 2015

Last Revised: April 2, 2025

Last Reviewed: April 2, 2025

(For Educational / Simulation Use Only)

Custodial Departments are the departments or units at the University that have primary responsibility for the care, maintenance, physical inventory, and control of the equipment in their custody. Custodial departments must:

- (a) Initiate requisitions for the purchase of capital equipment.
- (b) Perform the physical inventory by verifying the equipment listing and updating the asset condition and location status.
- (c) Provide accurate, timely, and complete information to Equipment Management regarding equipment status and condition, including acquisition, loss, relocation, or transfer.
- (d) Participate in researching and resolving equipment issues.
- (e) File a theft report immediately when a theft occurs.
- (f) Verify that equipment is allowable under the terms of the award and where title will vest.

Care and Maintenance

The custodian must provide the care necessary to maintain all equipment in the condition received, to ensure the equipment's maximum useful life. The custodian, PI, or designee(s) must implement and provide a preventive maintenance program, including cleaning, inspection, and regular safety checks. Maintenance records must reflect the date, action taken, and condition of the equipment.

Failure to comply with these responsibilities may result in corrective action and loss of equipment accountability privileges under university policy.

Storage and Movement

When equipment is temporarily idle but required for future use, the equipment custodian, PI, or their designee(s) must ensure it is securely stored, protected, and regularly inspected. If equipment is temporarily stored (e.g., during renovations), the status and location must be reported to Equipment Management. The status must be reviewed every six months to determine potential use or disposal.

The relocation of equipment from one area to another is defined as "movement." Equipment may not be moved or loaned to any site that is not owned or leased by the University unless

approved. The PI or custodian must contact Equipment Management to prepare a movement request. Once approved, Equipment Management will update the location in university records.

Physical Inventory

The physical inventory is performed on a biennial basis to verify the condition, location, and usage of capital equipment owned by the University, as well as government-owned property. The departmental custodian and the PI, or their designee, in conjunction with Equipment Management, conduct the physical inventory.

Responsibilities

The University is responsible and accountable for all equipment to which it holds title. Custodial responsibility for all other equipment rests with the University to the extent that it has explicitly agreed to accept responsibility (government/sponsor-owned, loaned/leased, etc.). This includes equipment that is provided under an award, which may be in the possession or control of a subcontractor. This responsibility is shared by many University personnel and is specifically delegated as follows:

DRONE PRE-FLIGHT CHECKLIST

AREA & ENVIRONMENT

Area is cleared of all equipment, obstacles and fixtures

The take-off and landing zones are dry and not obstructed

No overhead hazards within 20 foot radius of flight path

It is not raining or expected to rain

OPERATIONS

Drone has a sufficient charge for full flight

Drone has been tested and all functions are working properly

Signature

Date

Exhibit 6: Drone POV Video - Ivana Liberatore

 Drone POV Video.mp4

Exhibit 7: Email Correspondence Between Alex and USC - Ivana Liberatore

From: Alex Rivera alex.rivera@gmail.com
To: USC Film & Media Office filmoffice@usc.edu ; **cc:** mayachen@gmail.com
Date: July 30th, 2025, 9:17 a.m.
Subject: Request for Drone Filming Approval – Documentary Project

Dear Film Office,

My name is Alex Rivera and I am an independent filmmaker working with Maya Chen (cc'd on this email) on a short documentary around Southern California. Attached is our application request for permission to film a short drone segment at the USC campus plaza on September 22, 2025.

The filming will be limited to a 2-hour period and as indicated in our request, we look for this drone segment to be after sunset.

We are aware of USC's commitment to contributing to local film development and look forward to the possibility of filming on your campus.

Thank you for your time and consideration.

Best,

Alex Rivera

From: USC Film & Media Office filmoffice@usc.edu
To: Alex Rivera alex.rivera@gmail.com
Date: August 1, 2025, 2:03 p.m.
Subject: RE: Request for Drone Filming Approval – Documentary Project

Dear Mr. Rivera,

Thank you for your request. We are happy to inform you that it has been approved. You are authorized to film your short documentary drone segment at the USC Campus Plaza on September 22, 2025, between 7:00 p.m. and 9:00 p.m.

USC Facilities will ensure that the filming area is cleared for drone operation. As a reminder, you must complete the FAA pre-flight checklist and adhere to all safety standards.

Sincerely,
USC Film & Media Office

From: Alex Rivera alex.rivera@gmail.com
To: USC Film & Media Office filmoffice@usc.edu
Date: August 1, 2025, 3:15 p.m.
Subject: RE: Request for Drone Filming Approval – Documentary Project

Thank you for your prompt response! I look forward to filming on campus and rest assured all the safety protocols will be followed.

From: USC Facilities facilities@usc.edu
To: Alex Rivera alex.rivera@gmail.com; Maya Chen maya.chen@gmail.com
Date: September 8, 2025, 11:25 a.m.
Subject: Confirmation – Filming Area Clearance for September 22

Dear Alex and Maya,

This is to confirm that the central campus plaza will be cleared and available for your scheduled drone filming on September 22, 2025.

Best,
USC Facilities Operations

From: Alex Rivera alex.rivera@gmail.com
To: USC Facilities facilities@usc.edu
Date: September 18, 2025, 3:15 p.m.
Subject: College GameDay in Filming Area

Good afternoon,

I noticed USC will be hosting College GameDay this upcoming weekend. I am aware that the event takes place in the campus plaza. So I was wondering what this meant for my approved drone filming on September 22nd.

Best,
Alex Rivera

From: USC Facilities facilities@usc.edu

To: Alex Rivera alex.rivera@gmail.com; Maya Chen maya.chen@gmail.com

Date: September 18, 2025, 3:42 p.m.

Subject: RE: College GameDay in Filming Area

Dear Alex ,

While the College GameDay stage will temporarily occupy your filming area on September 20th, it will be cleared within 24 hours (by 10:00 a.m. on September 21). Your filming can continue as scheduled and the area will be cleared for the drone.

We appreciate you reaching out.

Sincerely,
USC Facilities Operations

Exhibit 8: Email Correspondence from Greg Smith - Clay Bockhorst

From: Greg Smith, Esq. gregsmithlaw@smithandpartners.com
To: University of Southern California – riskmanagement@usc.edu
Cc: Alex Rivera alex.rivera@gmail.com
Date: October 1, 2025
Subject: Demand for Compensation for Alex Rivera

Dear University Representatives,

I represent Mr. Alex Rivera regarding the severe injuries he sustained on September 22, 2025, while lawfully operating a drone on the University of Southern California's campus pursuant to written authorization issued by the University on August 1, 2025.

As you are aware, the University expressly agreed that the filming area in the central campus plaza would be cleared for safe drone operation, and that Mr. Rivera would comply with all FAA pre-flight requirements. On September 18, USC Facilities confirmed that the area, which had been used for ESPN College GameDay, would be cleared by 10:00 a.m. on September 21. However, a heavy stage light was left behind in the filming zone, partially obscured by nearby foliage.

During the evening of September 22, while operating his drone in accordance with the approved filming plan, Mr. Rivera's drone collided with an improperly stored stage light. The impact caused the light to fall, fracturing Mr. Rivera's right arm and severely damaging his right eye. These injuries required multiple surgeries and resulted in permanent loss of depth perception, significantly impairing his ability to continue his professional work as a filmmaker.

Accordingly, we hereby demand compensation in the amount of **\$3,000,000** to address:

- Loss of future earnings and earning capacity
- Past and future medical expenses
- Property damage to the drone and related equipment
- Pain and suffering

We look forward to engaging in constructive discussions with the University to resolve this matter amicably.

Sincerely,
Greg Smith, Esq.
Smith & Partners LLP
Los Angeles, CA
(213) 555-4821 | gregsmithlaw@smithandpartners.com

Remaining Exhibits (Will be in Presentation)

1. Alex's testimony
1. Maya's testimony
2. Eddy's testimony (Rock and Riley's employee)
3. Francis Wren's testimony