

Case Name: Shane M. Bean v. South Carolina Central Railroad Co., Inc.

Date Decided: March 2nd, 2011

Originally Filed in: South Carolina (state)

Decided by: South Carolina Court of Appeals (State)

Court: Court of Appeals of South Carolina

Judge: Judge Geathers

Citation: 709 S.E.2d 99

Background:

In August 2004, Shane M. Bean ("Bean") was injured while dismounting from a stationary [locomotive](#). Bean was diagnosed with a [torn ACL](#) in his right knee, underwent surgery, and returned to work three months later. In March 2005 Bean required additional surgery for his knee and during his recovery suffered a fall that shattered his knee cap requiring yet another surgery. Bean's employer [South Carolina Central Railroad Co., Inc. \("SCCR"\)](#) paid all of Bean's medical bills and lost wages until he was cleared to return to work in September of 2005. Thereafter, pursuant to a [disability](#) certificate provided by his doctor, Bean's duties were restricted to engine duty with some light ground work to reduce the risk of aggravating his injury. Bean began settlement negotiations for his injury with SCCR claims representative Bill Monroe ("Monroe") in June of 2006. As a result of the settlement negotiations, Bean signed a "[General Release](#) and Final Settlement" ("the Release") releasing SCCR from all claims of liability for the injury. Monroe told Bean that he was not able to include any language regarding a permanent work restriction in the release, but that SCCR would "work with" Bean to accommodate his injury. Bean signed the Release knowing it contained no permanent work restriction and received \$75,000 via the terms of the settlement. In the ten months following the settlement, Bean continued to perform engine duty with some light ground work without incident. In April 2007, Bean left for a week's vacation and upon his return discovered that he had been re-assigned to a [conductor's](#) job. Bean complained that his condition prohibited him from performing the more rigorous conductor's work. SCCR then asked Bean to supply them with a full medical release clarifying his condition. Upon receipt of that document, SCCR provided Bean with a "return-to-work" agreement. The agreement stated that Bean would be able to return to work and perform engine duty with some light ground work, but that Bean would continue to perform conductor's work in the "short-term" and in "emergency situations." Bean refused to sign the agreement because he thought it was vague as to how long he would need to work as a conductor. Bean did not return to work for SCCR, and in May 2007 was terminated for job abandonment. In August 2007, Bean filed a complaint against SCCR for negligence pursuant to the Federal Employers' Liability Act ("[FELA](#)"), 42 U.S.C. Â§ 51, and for violations of the Locomotive Inspection Act ("LIA"), 49 U.S.C. 20701. SCCR filed a Motion for Summary Judgment arguing the Release Bean signed prevented him from asserting any personal injury claims against SCCR. Bean responded that the Release was void either for fraud, mutual mistake, or lack of consideration, and thus he should not be barred from bringing his negligence claim. The lower court granted SCCR's Motion for Summary Judgment on the

grounds that the Release was validly executed and Bean appeals.

Issue:

Was the Release void on grounds of fraud, mutual mistake, or lack of consideration?

Overall Issues Discussed or Touched Upon in this Case:

- *Locomotive Inspection Act*
- *Defense - Release*
- *Summary Judgment - Defendant Factual Granted*
- *Ruling on Summary Judgment*

Held:

No. Under FELA, a release is void if an employee is induced to sign it because of fraudulent statements made regarding the contents of the release; if there is mutual mistake concerning the material facts of the release; or if there is no consideration (something of value) received in exchange for an employee's assent to sign the release. The Court first considered whether SCCR made fraudulent statements that induced Bean to sign the release. The record shows that Bean signed the Release knowing it contained no permanent work restrictions, and that Monroe orally told Bean SCCR would "work with" him to accommodate his medical condition. Bean argues that Monroe's statement proved false when SCCR transferred him to the conductor position, and that but for Monroe's statement, he would not have signed the Release. The Court held that Bean was not fraudulently induced to sign the release. The Court found no fraud in Monroe's statement reasoning SCCR did make an effort to "work with" Bean to accommodate his medical condition; the record shows the return-to-work agreement allowed Bean to perform engine duty with some light ground work and provided that a reasonable effort would be made to accommodate Bean's condition. The Court then considered whether the Release is void for mutual mistake as to a material fact. Bean contends that the Release is void for mutual mistake because both he and SCCR knew his injury was permanent and that this was a material fact not taken into account when the Release was executed. The Court summarily rejected Bean's argument and held no mutual mistake existed. It reasoned that no mistake was made because neither party intended to take into account work restrictions, permanent or otherwise, when the Release was signed; Monroe communicated SCCR's intent to exclude that language from the Release, and Bean was aware of the Release's contents when he signed it. Furthermore, the record shows that the disability certificate submitted by Bean's doctor makes no mention of the permanency of Bean's injury, thus SCCR had no reason to believe Bean's injury was permanent. Finally, the Court considered whether the Release was void for lack of consideration. Bean contends that real inducement for him to sign was Monroe's oral statement regarding his future work restrictions, not the \$75,000 settlement he received. Bean argues that when the oral agreement failed (when Bean was transferred to the conductor's job) there was a lack of consideration rendering the Release void. The Court

rejected Bean's argument on similar grounds as Bean's fraud argument. The Court held there was valid consideration for Bean's assent to the Release reasoning that SCCR did make an effort to "work with" Bean to accommodate his condition as evidenced by the return-to-work agreement. Order granting summary judgment for SCCR AFFIRMED

Comments:

Railroad companies have extensive experience in handling employee claims for personal injury. Railroad claims agents will pressure employees to sign away their right to bring FELA claims and will attempt to settle for the lowest amount possible. If you are a railroad employee who is injured on the job and are asked to sign an agreement releasing the your employer from any claims for liability, do not sign it. If you think you have a claim, contact an attorney. The attorneys at [Gordon, Elias & Seely](#) have extensive experience with the [FELA claims process](#) and can help you to understand all of your rights.