



MONTANA MUNICIPAL INTERLOCAL AUTHORITY
PO Box 6669
Helena MT 59604-6669

RISK MANAGEMENT BULLETIN

Please distribute to all appropriate personnel and post in a conspicuous place.

DATE: March 14, 2018 **RM Bulletin #01-18**

TO: MMIA Member Cities & Towns

RE: Coverage Exclusion - Inflatable Bounce Houses or Similar Inflatable Apparatuses

With the changing of the weather comes preparation for upcoming seasonal activities in our communities. One popular activity that cities and towns should give thorough consideration is the use of bounce houses or similar inflatable apparatuses on city/town property.

As of October 1, 2017 inflatable bounce houses, or similar inflatable apparatus, are **excluded from coverage** under the MMIA's Liability Memorandum of Coverage. With this coverage change it is important for cities and towns to review whether or not they will allow such devices on city/town property.

If cities and towns elect to allow these apparatuses to continue to be used on city/town property, a thorough review of the current user agreements for city/town properties is strongly encouraged. User agreements allow the city/town to transfer the liability to the party utilizing the city/town property. Areas to consider in the user agreement include, but are not limited to, indemnification language and insurance requirements for the users. Sample language for these areas is included below; however members should consult with their city/town attorney regarding updates to the user agreements.

Sample Indemnification Language

Vendor shall agree to indemnify, protect, defend, save and hold harmless the City, its officers, employees, agents, and volunteers from and against any and all liability, claims, suits, and causes of action for death or injury to persons, or damage to property, resulting from intentional or negligent acts, errors, or omissions of Vendor arising out of the setup, use or operation of the Inflatable Structure, or resulting from any violation of any federal, state, or municipal law or ordinance, the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Vendor, which occurs related to the setup, use or operation of the Inflatable Structure. The Vendor further agrees to waive all claims against the City on account of any loss, damage or injury from whatever cause which may occur to it and its property in the use and occupancy of said described premises, the giving of this waiver being one of the considerations upon which this Agreement is granted.



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Sample Insurance Requirement Language

The Vendor agrees to furnish the City a CERTIFICATE OF LIABILITY INSURANCE from their entity providing liability insurance coverage that also identifies the CITY as an ADDITIONAL INSURED on the CERTIFICATE OF LIABILITY INSURANCE and that the policy is primary and non-contributory. The CERTIFICATE OF LIABILITY INSURANCE coverage limits at a minimum shall provide liability insurance coverage in accordance to Montana State Statute, Section 2-9-108 MCA of \$750,000 for each claim and \$1.5 million for each occurrence. The CERTIFICATE OF INSURANCE shall also provide that the insurance coverage shall not be amended, altered, canceled, or reduced without providing at least ten (10) days advance written notice to both the insured as well as to the City.

For questions regarding this bulletin, please contact us at riskmgmt@mmia.net or 800-635-3089.