

# SPECIAL EVENTS

Special events happen with frequency at the fairgrounds. The agricultural society should take particular care in the planning and execution of these events. MCIT coverage has exclusions that apply to many special event activities. Examples are noted on the next page.



SPECIAL EVENTS



## EXAMPLES OF EXCLUSIONS

### MECHANICAL, AMUSEMENT OR CARNIVAL TYPE RIDES

Coverage does not apply to bodily injury or property damage arising out of the ownership, operation or use of mechanical, amusement or carnival type rides. The exclusion applies to bodily injury and property damage of both participants and spectators. This exclusion does not apply to traditional member-owned playground equipment or to most inflatable amusements.



### RACING/DEMOLITION DERBY

Both the general liability and auto liability sections of the MCIT Coverage Document contain exclusions for claims arising out of mobile equipment or autos used in or while in practice or preparation for any prearranged racing, speed, demolition or stunting activity, including but not limited to tractor pulls, demolition derbies, monster truck events, motorcycle racing and related entertainment events. The exclusion applies to bodily injury and property damage of both participants and spectators.



### RODEO

Coverage does not apply to bodily injury or property damage arising out of animal racing or rodeo events of any kind. Events include but are not limited to racing, challenge or skills competitions and other judged or timed animal events. The exclusion applies to bodily injury and property damage of both participants and spectators.



## WATERCRAFT RACING/STUNTING

Like the racing/demolition derby exclusion for automobiles and mobile equipment, the MCIT Coverage Document contains a similar liability exclusion for watercraft. This exclusion applies to bodily injury or property damage arising out of the use of any watercraft in or while in practice for any prearranged racing, speed, demolition or stunting activity. The exclusion applies to bodily injury and property damage of both participants and spectators.



## LIQUOR LIABILITY

This exclusion applies to organizations that are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. The exclusion applies if the member sells the alcohol and causes or contributes to the intoxication of any person. Generally, coverage is provided when alcohol is served at a member-sponsored social gathering at no cost.



## RISK MANAGEMENT RECOMMENDATIONS

### SPECIAL EVENTS SPONSORED BY THE AGRICULTURAL SOCIETY

Special events coverage is necessary when a member sponsors an event or activity that is not covered or is excluded under the MCIT Coverage Document. When exclusions apply, members are encouraged to weigh the risk.

For agricultural society-hosted events, MCIT encourages use of a local insurance agent to access special events coverage. For example, to secure coverage for fair or festival events, a local agent may be able to place coverage with a specialty broker.

For those activities where MCIT does provide coverage, there may be an additional charge. The cost of coverage depends on the type of activity and/or the number of attendees. An additional contribution may be charged if the covered event is held on another party's property and the owner requires the member to provide a certificate of liability coverage naming the owner as an additional covered party.



## WAIVERS

A waiver is an excellent tool to manage risks associated with hosting a special event. A waiver is an agreement that participants of the special event sign that excuses the member in advance for any fault for injuries or property damage sustained

by the participants due to the activity. A waiver is also known as an exculpatory clause, release or hold harmless provision. There is risk involved with every activity, but a waiver may help to limit the liability.

## SPECIAL EVENTS SPONSORED BY OUTSIDE GROUPS

When agricultural societies permit outside groups to hold events on their premises, MCIT recommends an agreement be executed transferring the liability exposure to the sponsoring group. The agreement should require the outside group to provide a certificate of insurance as evidence of liability coverage, naming the agricultural society as an additional insured. Agricultural societies should request a copy of the additional insured endorsement.

The agreement should include a provision in which the outside group defends, holds harmless and indemnifies the agricultural society for all claims

arising out of the event. From a risk management perspective, these steps transfer the risk for these events/activities to the sponsoring outside entity. *For further detailed recommendations, see Chapter 7, Facility Use and Lease Agreements.*

It is imperative that the agricultural society consistently enforces its rules governing special events sponsored by outside groups to avoid potential allegations of discrimination. MCIT recommends rules such as these be in writing, approved by the board and used uniformly for all groups.

## Resources

- MCIT Coverage Document (provided to members in printed form, not available at [MCIT.org](http://MCIT.org))
- The article "Special Events Coverage" available at [MCIT.org](http://MCIT.org) includes additional information.

