

Michigan Court of Appeals: No Parental Indemnification for Child Injuries

January 2, 2025

Can parents legally agree to financially protect third parties from claims arising from their children's injuries? In *MK v. Auburnfly, LLC*, (No. 364577, 2024 WL 5148278, Dec. 17, 2024), a published opinion, the Michigan Court of Appeals said no.

In June 2020, Karen Knaack and her minor child, MK, attended an event at TreeRunner Rochester Adventure Park, owned by Auburnfly, LLC. Before MK could participate, Knaack was required to sign a participant agreement stating she would not hold Auburnfly liable for any injuries MK might suffer and that she would indemnify Auburnfly for any claims arising from those injuries.

After MK was injured during the event, Knaack filed a lawsuit against Auburnfly on behalf of MK, claiming negligence, premises liability, and gross negligence. In response, Auburnfly filed a third-party complaint against Knaack, aiming to enforce the indemnification clause. Auburnfly argued that this clause protected it from any claims related to MK's injury and sought to compel Knaack to indemnify and hold Auburnfly harmless for any injuries MK sustained. Knaack challenged the validity of the indemnification agreement, asserting that it violated public policy meant to protect children, or in the alternative that the agreement was unenforceable because it violated the parental-immunity doctrine.

The trial court sided with Knaack, ruling that the agreement was unenforceable. The court of appeals upheld the trial court's ruling, concluding that the agreement would unfairly limit MK's right to sue and undermine Michigan's public policy aimed at protecting minors. The court reaffirmed the principle that parents cannot contractually waive their children's rights in matters of negligence. Under Michigan law, children need a representative, usually a parent, to sue on their behalf. If the parent is obligated to indemnify the allegedly negligent party, reasoned the court, they essentially shoulder the financial burden of any judgment obtained for the child's injury. In this scenario, even if MK's lawsuit were successful, the outcome would not benefit her materially if the payment ultimately came from her parent. This financial risk would deter the parent from pursuing legal action, effectively limiting their child's rights.

A further appeal is possible. The decision is an extension of the seminal 2010 Michigan Supreme Court decision in *Woodman v Kera, LLC*, 486 Mich 228 (2010), which held that a parent could not waive their child's right to sue for negligence (in that case, by signing a preinjury liability waiver). While *Woodman* recognized that contracts could not completely strip minors of their rights, *MK v. Auburnfly* took it a step further by emphasizing that agreements attempting to indemnify negligent parties at the expense of children's rights are flawed and contrary to public policy.

If you have questions about how this ruling may affect your organization, please contact your Miller Canfield attorney or one of the authors of this alert.