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UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

NEIGHBORHOOD GRILLS MANAGEMENT  
LLC and NEIGHBORHOOD GRILLS  
HOLDING LLC, individually and on behalf of  
all others similarly situated,

Plaintiffs,

v.

NATIONAL SURETY CORPORATION,

Defendant.

No.

COMPLAINT—CLASS ACTION

JURY DEMAND

**I. INTRODUCTION**

Plaintiffs, Neighborhood Grills Management LLC and Neighborhood Grills Holding LLC (collectively, “Plaintiffs” or “Neighborhood Grills”), individually and on behalf of all other similarly situated members of the defined national classes, and the defined Washington state subclasses (collectively, the “Class Members”), by and through the undersigned attorneys, bring this class action against Defendant National Surety Corporation (“Defendant”) and allege as follows based on personal knowledge and information and belief:

1 **II. JURISDICTION AND VENUE**

2 1. This Court has subject matter jurisdiction pursuant to the Class Action Fairness  
3 Act of 2005, 28 U.S.C. § 1332(d), because at least one member of the proposed Classes and  
4 Subclasses is a citizen of a state different from that of Defendant, the proposed Classes and  
5 Subclasses each consist of more than 100 class members, and the aggregate amount in  
6 controversy exceeds \$5,000,000. The Court has supplemental jurisdiction over Plaintiffs' state  
7 law claims under 28 U.S.C. § 1367.  
8

9 2. This Court has personal jurisdiction over Defendant because Defendant is  
10 registered to do business in Washington, has sufficient minimum contacts in Washington, and  
11 otherwise intentionally avails itself of the markets within Washington through its business  
12 activities, such that the exercise of jurisdiction by this Court is proper. Moreover, Plaintiffs'  
13 claims and the claims of all the Washington Subclass Members arise out of and directly relate to  
14 Defendant's contacts with Washington.  
15

16 3. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(3) because the  
17 Court has personal jurisdiction over Defendant, a substantial portion of the alleged wrongdoing  
18 occurred in this District and the State of Washington, and Defendant has sufficient contacts with  
19 this District and the State of Washington.  
20

21 4. Venue is proper in the Western District of Washington pursuant to 28 U.S.C.  
22 § 1391(b)(2) because a substantial part of the events or omissions giving rise to the claims at  
23 issue in this Complaint arose in this District. Plaintiffs' predominant place of business is in King  
24 County. This action is therefore appropriately filed in this District.  
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1 **III. PARTIES**

2 5. Plaintiffs Neighborhood Grills Management LLC and Neighborhood Grills  
3 Holding LLC own and operate several restaurants and bar businesses, as well as a catering  
4 business, predominantly located in King County, Washington.

5 6. Defendant National Surety Corporation is an insurance company domiciled in  
6 Illinois, with its principal place of business in Chicago, Illinois. Defendant is one of several  
7 subsidiary insurer entities owned by parent company Allianz Insurer Group.

8 7. Defendant is authorized and/or licensed to write, sell, and issue business  
9 insurance policies in all fifty states and the District of Columbia. Defendant and its sister entities  
10 owned by the same parent company conducted business within these regions by selling and  
11 issuing insurance policies to policyholders, including Plaintiffs.  
12

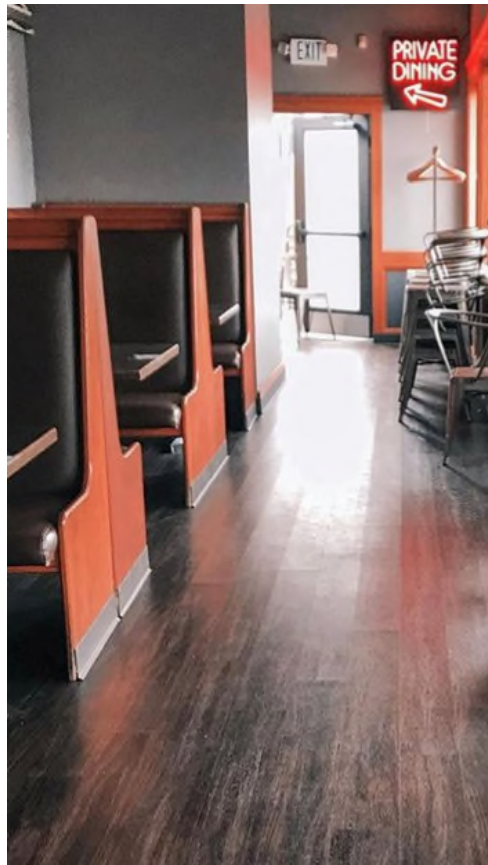
13 8. Defendant is vicariously liable for the acts and omissions of its employees and  
14 agents.  
15

16 **IV. NATURE OF THE CASE**

17 9. Plaintiffs own and operate several restaurant and bar businesses, as well as a  
18 catering business (collectively, “Neighborhood Grills businesses”). Neighborhood Grills  
19 businesses are known for their delectable American Fare, such as burgers and milkshakes, and  
20 casual in-person dining. The Neighborhood Grills businesses are located in densely populated  
21 neighborhoods in the Seattle metro area, including Eastlake, Green Lake, Bellevue, and  
22 Redmond, as well as downtown locations of Bremerton, Lake Forest Park, Maple Valley, and  
23 Gig Harbor, Washington.

24 10. Historic photographs depicting indoor dining and bar space of Neighborhood  
25 Grills businesses follow:  
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11. This lawsuit is filed to ensure that Neighborhood Grills and other similarly situated policyholders receive the insurance benefits to which they are entitled and for which they paid.

12. Defendant issued one or more “all risk” insurance policies to Plaintiffs, including a businessowners policy and related endorsements (“the Policy”), insuring Plaintiffs’ property and business, and providing related coverages, under at least policy number MXX80997125.

13. Plaintiffs’ business property includes property owned and/or leased by Plaintiffs and used for their specified business purposes. Access to some or all of this property and premises was prohibited by the governmental response to COVID-19.

14. Plaintiffs’ business property includes indoor bar, dining, and entertainment space with typical dine-in restaurant facilities for bar, dining, and entertainment services, including bar stools, bar counters, tables, chairs, serving ware, glassware, utensils, menus, microphones, condiment and napkin dispensers, and other related equipment and property for customer use while ordering, eating, drinking, participating in live events, and socializing inside the premises.

1           15. Defendant promised to pay Plaintiffs for risks of “direct physical loss of or  
2 damage to” to covered property, and Plaintiffs’ Policy includes coverage for risks of both “loss  
3 of or damage to” covered property.

4           16. Defendant promised to pay Plaintiffs for risks of a “[c]overed crisis event,”  
5 defined to include “[p]remises contamination,” “[n]ecessary closure of [] covered premises due  
6 to any sudden, accidental and unintentional contamination or impairment of the covered  
7 premises or other property on the covered premises which results in clear, identifiable, internal or  
8 external visible symptoms of bodily injury, illness, or death[,]” and further including events  
9 caused by a “[c]ommunicable disease,” which “means any disease or any related or resulting  
10 diseases, viruses, complexes, symptoms, manifestations, effects, conditions, or illnesses.”  
11

12           17. Defendant promised to pay Plaintiffs “the actual loss of business income or rental  
13 value you sustain if a special event, not at a covered location, is canceled due to direct physical  
14 damage to property . . . caused by a covered cause of loss.”  
15

16           18. Defendant promised to pay Plaintiffs “Event Cancellation and Postponement  
17 Expense Reimbursement” if events had to be cancelled or postponed because of acts of civil  
18 authority that prevent access to the described premises and other events.

19           19. Defendant promised to pay Plaintiffs the actual expense incurred due to a  
20 communicable disease event occurring at the Plaintiffs’ premises. The Policy defined  
21 “[c]ommunicable disease event” as meaning that “an official public health authority has ordered  
22 your premises to be evacuated and disinfected due to the outbreak of a communicable disease at  
23 the covered location.”  
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25           20. The policy coverages issued by Defendant to Plaintiffs includes Business Income  
26 Coverage, Extra Expense Coverage, Extended Business Income Coverage, Civil Authority

1 Coverage, Crisis Management Coverage, Off Premises Special Event Cancellation Coverage,  
2 Event Cancellation and Postponement Expense Reimbursement Coverage, and Communicable  
3 Disease Extra Expense Coverage.

4           21. The Policy expressly defines a “Covered Cause of Loss” as meaning “direct  
5 physical loss.”

6           22. On information and belief, Defendant and affiliated entities owned by the same  
7 parent company issued materially identical policies to thousands of businesses throughout  
8 Washington and in other states.

9           23. Plaintiffs paid all premiums for the coverages when due.

10           24. On or about January 2020, the United States of America saw its first cases of  
11 persons infected by COVID-19, which has been designated a worldwide pandemic.

12           25. COVID-19 is a highly contagious virus that rapidly and easily spreads; it  
13 continues to spread across the United States, including in the State of Washington.

14           26. In many infected persons, COVID-19 causes severe illness and requires  
15 hospitalization, including intubation. The virus has killed over 500,000 people in the United  
16 States to date. Persons who survive the virus have experienced ongoing cognitive, neurological,  
17 and physical impacts from the virus, even after the virus is no longer actively detected in their  
18 bodies.

19           27. The COVID-19 virus is a physical substance that spreads from person to person  
20 through respiratory droplets that reach another person and that are produced when an infected  
21 person breathes, talks, coughs, or sneezes. It also spreads when virus respiratory droplets are  
22 exhaled and aerosolized, and deposited on a surface or object (e.g., tables, chairs, bar stools,  
23 microphones, glassware, kitchen and culinary equipment, door knobs, touch screens, computer  
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1 keyboards, and writing or eating utensils) and those objects are then touched by another person  
2 who then touches their own mouth, nose, or eyes. COVID-19 is caused by a novel (new)  
3 coronavirus that has not previously been seen in humans.<sup>1</sup>

4 28. COVID-19 remains stable and transmittable in aerosols for up to three hours and  
5 up to two or three days on surfaces. Persons infected with COVID-19 can be asymptomatic yet  
6 still spread the virus. Guidance issued by the Centers for Disease Control and Prevention  
7 (“CDC”) recommends avoiding indoor activities, adhering to strict sanitation protocols, and  
8 maintaining social distance of at least six feet from others in order to minimize the spread of  
9 COVID-19.<sup>2</sup>

10 29. Public health data throughout the United States, and on a state-by-state basis,  
11 shows that COVID-19 has been detected in every state.  
12

13 30. The first confirmed case of COVID-19 in King County was noted on January 21,  
14 2020.<sup>3</sup>

15 31. Public health data throughout the United States shows the number of COVID-19  
16 tests administered, the rate of positive testing, the numbers of persons diagnosed with COVID-  
17 19, the number of persons hospitalized due to COVID-19, the number of deaths from COVID-  
18 19, and other related statistics, by state, county, and sometimes by city.<sup>4</sup>  
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22 <sup>1</sup> See, e.g., *Coronavirus (COVID-19): Frequently Asked Questions*, CDC (updated Mar. 17, 2021),  
23 <https://www.cdc.gov/coronavirus/2019-ncov/faq.html>.

24 <sup>2</sup> See *Coronavirus (COVID-19): Personal and Social Activities*, CDC (updated Feb. 19, 2021),  
25 <https://www.cdc.gov/coronavirus/2019-ncov/daily-life-coping/personal-social-activities.html>.

26 <sup>3</sup> Casey McNERthney, *Coronavirus in Washington State: A Timeline of the Outbreak Through March 2020*, KIRO 7  
News (Apr. 3, 2020, 2:03 AM), <https://www.kiro7.com/news/local/coronavirus-washington-state-timeline-outbreak/IM65JK66N5BYTIAPZ3FUZSKMUE/>.

<sup>4</sup> See, e.g., *Coronavirus in the U.S.: Latest Map and Case Count*, N.Y. Times (updated Mar. 17, 2021, 7:53 AM),  
<https://www.nytimes.com/interactive/2020/us/coronavirus-us-cases.html?action=click&module=Top%20Stories&pgtype=Homepage> (reflecting COVID-19 statistics, on a state-by-state, county-by-county, and aggregated basis since March 2020).



1 32. As of March 16, 2021, at least 331,109 individuals in the State of Washington  
2 have tested positive for COVID-19, 19,957 have been hospitalized, and 5,156 have died due to  
3 the COVID-19 virus.<sup>5</sup>

4 33. As of March 16, 2021, at least 84,572 individuals in King County have tested  
5 positive for COVID-19, 5,225 have been hospitalized, and 1,442 have died due to the COVID-19  
6 virus.<sup>6</sup>

7  
8 34. The presence of any COVID-19 aerosolized or suspended droplets or particles in  
9 the air or otherwise circulating in an indoor environment renders that physical space, or physical  
10 property, unsafe and unusable.

11 35. The presence of any COVID-19 aerosolized or suspended droplets or particles in  
12 the air or otherwise circulating in an indoor environment causes direct physical damage to  
13 property and/or direct physical loss of property.

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15 36. The presence of any COVID-19 droplets or particles on physical surfaces renders  
16 items of physical property unsafe and unusable.

17 37. The presence of any COVID-19 droplets or particles on physical surfaces causes  
18 direct physical damage to property and/or direct physical loss of property.

19 38. The presence of people infected with or carrying COVID-19 particles at premises  
20 renders the premises, including property located at that premises, unsafe and unusable, resulting  
21 in direct physical damage and/or direct physical loss to the premises and property.

22  
23 39. Loss of functionality of property that has not been physically altered constitutes  
24 direct physical loss of property and/or direct physical damage to property.

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26 <sup>5</sup> *COVID-19 Data Dashboard*, Wash. State Dep't of Health (last updated Mar. 17, 2021, 5:18 PM),  
<https://www.doh.wa.gov/Emergencies/COVID19/DataDashboard>.

<sup>6</sup> *Id.*

1           40.     On February 29, 2020, Washington Governor Jay Inslee issued Proclamation 20-  
2 05, declaring a State of Emergency for all counties in the State of Washington as a result of the  
3 COVID-19 outbreak.<sup>7</sup>

4           41.     Thereafter, Governor Inslee issued a series of proclamations and orders affecting  
5 many persons and businesses in the State of Washington, whether infected with COVID-19 or  
6 not, requiring certain public health precautions.

7           42.     Some local agencies acted even more quickly than the state. On February 27,  
8 2020, the Northshore School District closed Bothell High School to completely disinfect the  
9 entire school because of concerns about the safety of school property stemming from COVID-  
10 19.<sup>8</sup> On March 2, 2020, Everett Public Schools Superintendent Dr. Ian B. Saltzman made a  
11 similar announcement closing schools, highlighting that Everett Schools would clean both  
12 schools and school buses.<sup>9</sup>

13           43.     Issued March 12, 2020, Proclamation 20-08 closed all public and private K-12  
14 schools in King, Pierce, and Snohomish counties.<sup>10</sup> Issued March 13, 2020, Proclamation 20-09,  
15 “Statewide K-12 School Closures,” extended the school closure to the entire state.<sup>11</sup>  
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22 <sup>7</sup> Proclamation 20-05 of Washington Gov. Jay Inslee (Feb. 29, 2020),

[https://www.governor.wa.gov/sites/default/files/proclamations/20-05%20Coronavirus%20\(final\).pdf](https://www.governor.wa.gov/sites/default/files/proclamations/20-05%20Coronavirus%20(final).pdf).

23 <sup>8</sup> See Michelle Reid, *Letter to Families: Bothell High School Closure*, Northshore Sch. District (Feb. 26, 2020),

<https://www.nsd.org/blog/~board/superintendent-blog/post/letter-to-families-bothell-high-school-closure>.

24 <sup>9</sup> See Ian B. Saltzman, *Superintendent’s Message, March 2, 2020*, Everett Pub. Schools (Mar. 2, 2020),

<https://www.everettsd.org/Page/32622>.

25 <sup>10</sup> Proclamation 20-08 of Washington Gov. Jay Inslee (Mar. 12, 2020),

<https://www.governor.wa.gov/sites/default/files/proclamations/20-08%20Coronavirus%20%28tmp%29.pdf>.

26 <sup>11</sup> Proclamation 20-09 of Washington Gov. Jay Inslee, *Statewide K-12 School Closures* (Mar. 13, 2020),

<https://www.governor.wa.gov/sites/default/files/proclamations/20-09%20Coronavirus%20Schools%20Amendment%20%28tmp%29.pdf>.

1 44. Also on March 13, 2020, Governor Inslee issued Proclamation 20-11, “Statewide  
2 Limits on Gatherings,” which prohibited all gatherings of 250 people or more in all Washington  
3 counties, including King County.<sup>12</sup>

4 45. On March 16, 2020, Governor Inslee issued Proclamation 20-13, “Statewide  
5 Limits: Food and Beverage Services, Areas of Congregation” which amended Proclamation 20-  
6 05.<sup>13</sup> The proclamation prohibits “any number of people from gathering in any public venue in  
7 which people congregate for purposes of . . . food and beverage service.”<sup>14</sup> The proclamation  
8 further prohibited “the onsite consumption of food and/or beverages” in all restaurants, bars,  
9 taverns, and for catered events.<sup>15</sup>

10 46. Proclamation 20-13 further states that the pandemic “remains a public disaster  
11 affecting life, health, property or the public peace.”<sup>16</sup>

12 47. Also on March 16, 2020, Governor Inslee issued Proclamation 20-14, “Reduction  
13 of Statewide Limits on Gatherings,” which prohibited all gatherings of fifty people or more in all  
14 Washington counties, including King County, and further prohibited gatherings of fewer people  
15 unless organizers of those activities complied with certain social distancing and sanitation  
16 measures.<sup>17</sup>

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22 <sup>12</sup> Proclamation 20-11 of Washington Gov. Jay Inslee, *Statewide Limits on Gatherings* at p. 2 (Mar. 13, 2020),  
<https://www.governor.wa.gov/sites/default/files/proclamations/20-11%20Coronavirus%20Gatherings%20Amendment%20%28tmp%29.pdf>.

23 <sup>13</sup> Proclamation 20-13 of Washington Gov. Jay Inslee, *Statewide Limits: Food and Beverage Services, Areas of*  
*Congregation* (Mar. 16, 2020), <https://www.governor.wa.gov/sites/default/files/proclamations/20-13%20Coronavirus%20Restaurants-Bars%20%28tmp%29.pdf>.

24 <sup>14</sup> *Id.* at p. 2.

25 <sup>15</sup> *Id.*

26 <sup>16</sup> *Id.* at p. 1.

<sup>17</sup> Proclamation 20-14 of Washington Gov. Jay Inslee, *Reduction of Statewide Limits on Gatherings* at p. 2 (Mar. 16, 2020), <https://www.governor.wa.gov/sites/default/files/proclamations/20-14%20COVID-19%20-%20Prohibitions%20on%20Gatherings%20%28tmp%29.pdf>.

1 48. On March 23, 2020, Governor Inslee issued Proclamation 20-25, “Stay Home –  
2 Stay Healthy.”<sup>18</sup> The proclamation, which amends prior proclamations, requires that “[a]ll people  
3 in Washington State [] immediately cease leaving their home or place of residence except: (1) to  
4 conduct or participate in essential activities, and/or (2) for employment in essential business  
5 services.”<sup>19</sup> The proclamation prohibits “all non-essential businesses in Washington State from  
6 conducting business, within the limitations provided herein.”<sup>20</sup>

7  
8 49. Proclamation 20-25 continues a State of Emergency, and states that “the  
9 worldwide COVID-19 pandemic and its progression in Washington State continues to threaten  
10 the life and health of our people as well as the economy of Washington State, and remains a  
11 public disaster affecting life, health, property or the public peace.”<sup>21</sup> The proclamation allows for  
12 restaurants and food services to operate only to “provid[e] delivery or take-away services” and  
13 “so long as proper social distancing and sanitation measures are established and implemented.”<sup>22</sup>

14  
15 50. On November 15, 2020, Governor Inslee issued Proclamation 20-25.8, “Stay Safe  
16 – Stay Healthy” “Rollback of County-by-County Phased Reopening Responding to a COVID-19  
17 Outbreak Surge,” which amended Proclamation 20-05 and 20-25, *et seq.*<sup>23</sup> The proclamation  
18 again closed restaurants and bars for indoor dine-in service.

19 51. Proclamation 20-25.8 also prohibits indoor operations at a variety of business  
20 locations throughout Seattle and King County and elsewhere in the State of Washington,  
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22  
23 <sup>18</sup> Proclamation 20-25 of Washington Gov. Jay Inslee, *Stay Home – Stay Healthy* (Mar. 23, 2020),  
[https://www.governor.wa.gov/sites/default/files/proclamations/20-25%20Coronavirus%20Stay%20Safe-  
Stay%20Healthy%20%28tmp%29%20%28002%29.pdf](https://www.governor.wa.gov/sites/default/files/proclamations/20-25%20Coronavirus%20Stay%20Safe-Stay%20Healthy%20%28tmp%29%20%28002%29.pdf).

24 <sup>19</sup> *Id.* at p. 3.

25 <sup>20</sup> *Id.* at p. 2.

26 <sup>21</sup> *Id.* at p. 1.

<sup>22</sup> *Id.* at p. 5.

<sup>23</sup> Proclamation 20-25.8 of Washington Gov. Jay Inslee, “*Stay Safe – Stay Healthy*” *Rollback of County-by-County  
Phased Reopening Responding to a COVID-19 Outbreak Surge* (Nov. 15, 2020),  
[https://www.governor.wa.gov/sites/default/files/proclamations/proc\\_20-25.8.pdf](https://www.governor.wa.gov/sites/default/files/proclamations/proc_20-25.8.pdf).

1 including but not limited to other restaurants and bars, fitness facilities and gyms, bowling  
2 centers, and movie theaters.<sup>24</sup>

3 52. Governor’s Inslee’s proclamations and orders related to COVID-19 (collectively,  
4 “the proclamations and orders”) have been extended and modified from time to time.<sup>25</sup>

5 53. Plaintiffs have complied with the proclamations and orders which have required it  
6 to close, suspend, and/or curtail its business.

7 54. Among other things, Plaintiffs complied with the proclamations and orders by  
8 preventing the public, including its customers, clients, and performers, from entering its places of  
9 business to participate in business activities such as consuming food and beverages and private  
10 events, which were routine and allowed prior to the issuance of the proclamations and orders.

11 55. In order to comply with the proclamations and orders, Plaintiffs were forced to  
12 suspend their business and incur extra expense.

13 56. In order to comply with the proclamations and orders, Plaintiffs were unable to  
14 use their restaurant, bar, and private event spaces for its insured purpose of sit-down dining, bar,  
15 and live entertainment.

16 57. Plaintiffs invested in their business property, insured the business property, and  
17 insured the income derived from its business property, but Plaintiffs were deprived of the  
18 property’s functionality due to the government’s response to the COVID-19 pandemic.

19 58. Loss caused by Governor Inslee’s orders and proclamations and/or related to  
20 COVID-19 rendered Plaintiffs’ property unusable for its intended and insured purpose.  
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26 <sup>24</sup> *Id.* at pp. 3-4.

<sup>25</sup> *See, e.g., Restaurant, Tavern, Breweries, Wineries and Distilleries COVID-19 Requirements*, Wash. Gov. Jay Inslee (updated Nov. 16, 2020), [https://www.governor.wa.gov/sites/default/files/COVID19%20Phase%20%20and%20%20Restaurant%20and%20Tavern%20Guidance.pdf?utm\\_medium=email&utm\\_source=govdelivery](https://www.governor.wa.gov/sites/default/files/COVID19%20Phase%20%20and%20%20Restaurant%20and%20Tavern%20Guidance.pdf?utm_medium=email&utm_source=govdelivery).

1           59.     Governors and civil authorities in other states have issued similar orders and  
2 proclamations, for similar reasons.

3           60.     Plaintiffs' property sustained direct physical loss and/or direct physical property  
4 damage related to the proclamations and orders, and/or COVID-19.

5           61.     Plaintiffs' business and property will continue to sustain direct physical loss or  
6 damage covered by Defendant's Policy, including but not limited to business interruption, extra  
7 expense, interruption by civil authority, and other expenses.

8           62.     Plaintiffs suffered direct physical loss of use of the covered properties for its  
9 intended purposes.

10           63.     As a result of the above, Plaintiffs have experienced and will experience loss  
11 covered by Defendant's Policy.

12           64.     Plaintiffs' suspension of its business in response to the proclamations and orders  
13 caused Plaintiffs to suffer a business loss.

14           65.     Plaintiffs complied with all requirements in the Policy.

15           66.     Plaintiffs made a claim for insurance benefits on or about March 5, 2020.

16           67.     Defendant denied Plaintiffs' claim for insurance benefits by letter dated June 10,  
17 2020.

18           68.     Defendant made no meaningful investigation of Plaintiffs' claim or its loss.

19           69.     Without any basis, Defendant's denial letter asserts there was not any suspension  
20 of Plaintiffs' operations nor any direct physical loss of or damage to covered property.

21           70.     Defendant's denial letter also concludes without basis that access to Plaintiffs'  
22 property was not prohibited due to direct physical loss of or damage to property at other  
23 locations.

1           71.     Upon information and belief, Defendant has denied all claims submitted to it for  
2 business income coverage that relate to governmental proclamations or orders and/or COVID-19.

3           72.     Upon information and belief, Defendant has undertaken no meaningful  
4 investigation regarding whether there is any presence of COVID-19 at Plaintiffs' insured  
5 premises.  
6

7           73.     Upon information and belief, Defendant has undertaken no meaningful  
8 investigation regarding the timing, scope, or impact of governmental proclamations or closure  
9 orders that affect Plaintiffs' business or business property.

10          74.     Upon information and belief, Defendant has undertaken no meaningful  
11 investigation regarding the community spread of COVID-19 in the vicinity of Plaintiffs'  
12 business.  
13

14          75.     Upon information and belief, Defendant has undertaken no meaningful  
15 investigation into Plaintiffs' business premises or their vicinities.

16          76.     Upon information and belief, Defendant has denied and will deny coverage to  
17 Plaintiffs and all other similarly situated policyholders based on Defendant's uniform policy to  
18 deny business interruption claims stemming from government closure orders related to COVID-  
19 19.  
20

21          77.     Defendant's across-the-board coverage denials are not consistent with its policy  
22 language and with its obligations to investigate losses arising under its policies. Courts have  
23 found coverage or reasonable grounds for coverage during the COVID-19 pandemic in one or  
24 more ways, including based on: (1) the actual or potential presence of virus in the air in the  
25 vicinity of the policyholder's business; (2) the necessity of modifying physical behaviors through  
26 the use of social distancing, avoiding confined indoor spaces, and/or not congregating in the

1 same physical area as others; (3) governmental orders requiring that physical spaces such as the  
2 policyholder's business be shut down or that other property not be used for its insured business  
3 purposes; and/or (4) the need to mitigate the threat or actual physical presence of virus on door-  
4 handles, tables, silverware, surfaces, in heating and air conditioning systems and any other of the  
5 places where virus may be found.

6  
7 **V. CLASS ACTION ALLEGATIONS**

8 78. This matter is brought by Plaintiffs on behalf of themselves and those similarly  
9 situated, under Federal Rule of Civil Procedure 23(a), 23(b)(1), 23(b)(2), and 23(b)(3).

10 79. Prosecuting separate actions by individual class members, in lieu of proceeding as  
11 a class action, would create a risk of inconsistent or varying adjudications that would establish  
12 incompatible standards of conduct for Defendant.

13 80. As alleged above, Defendant has acted or refused to act on grounds that apply  
14 generally to the proposed Classes and Subclasses, such that final injunctive relief or declaratory  
15 relief is appropriate.

16 81. The questions of law or fact common to Classes and Subclasses Members  
17 predominate over any questions affecting only individual members, and a class action is superior  
18 to other methods for fairly and efficiently adjudicating this controversy.

19 82. The Classes and Subclasses that Plaintiffs seek to represent are defined as:

20  
21 A. ***Business Income Breach of Contract Class:*** All persons and entities in  
22 the United States issued one of Defendant's policies with Business Income Coverage who  
23 suffered a suspension of their business at the covered premises related to COVID-19  
24 and/or proclamations or orders issued by Governor Inslee, other Governors, and/or other  
25 civil authorities, and whose Business Income claim has been denied by Defendant.  
26



1           B.     ***Business Income Breach of Contract Washington Subclass:*** All persons  
2 and entities in the state of Washington issued one of Defendant’s policies with Business  
3 Income Coverage who suffered a suspension of their business at the covered premises  
4 related to COVID-19 and/or proclamations or orders issued by Governor Inslee, and/or  
5 other civil authorities and whose Business Income claim has been denied by Defendant.  
6

7           C.     ***Business Income Declaratory Relief Class:*** All persons and entities in the  
8 United States issued one of Defendant’s policies with Business Income Coverage who  
9 suffered a suspension of their business at the covered premises related to COVID-19  
10 and/or proclamations or orders issued by Governor Inslee, other Governors, and/or civil  
11 authorities.  
12

13           D.     ***Business Income Declaratory Relief Washington Subclass:*** All persons  
14 and entities in the state of Washington issued one of Defendant’s policies with Business  
15 Income Coverage who suffered a suspension of their business at the covered premises  
16 related to COVID-19 and/or proclamations or orders issued by Governor Inslee, and/or  
17 other civil authorities.  
18

19           E.     ***Extra Expense Breach of Contract Class:*** All persons and entities in the  
20 United States issued one of Defendant’s policies with Extra Expense coverage who  
21 incurred expenses while seeking to minimize the suspension of business at the covered  
22 premises in connection with COVID-19 and/or proclamations or orders issued by  
23 Governor Inslee, other Governors, and/or other civil authorities whose Extra Expense  
24 claim has been denied by Defendant.  
25

26           F.     ***Extra Expense Breach of Contract Washington Subclass:*** All persons  
and entities in the state of Washington issued one of Defendant’ policies with Extra

1 Expense Coverage who incurred expenses while seeking to minimize the suspension of  
2 business at the covered premises in connection with COVID-19 and/or proclamations or  
3 orders issued by Governor Inslee, and/or other civil authorities and whose Extra Expense  
4 claim has been denied by Defendant.

5  
6 G. ***Extra Expense Declaratory Relief Class:*** All persons and entities in the  
7 United States issued one of Defendant's policies with Extra Expense Coverage who  
8 incurred expenses while seeking to minimize the suspension of business at the covered  
9 premises in connection with COVID-19 and/or proclamations or orders issued by  
10 Governor Inslee, other Governors, and/or other civil authorities.

11 H. ***Extra Expense Declaratory Relief Washington Subclass:*** All persons and  
12 entities in the state of Washington issued one of Defendant's policies with Extra Expense  
13 Coverage who incurred expenses while seeking to minimize the suspension of business at  
14 the covered premises in connection with COVID-19 and/or proclamations or orders  
15 issued by Governor Inslee, and/or other civil authorities.

16  
17 I. ***Extended Business Income Breach of Contract Class:*** All persons and  
18 entities in the United States issued one of Defendant's policies with Extended Business  
19 Income Coverage who suffered a suspension of their business at the covered premises  
20 related to COVID-19 and/or proclamations or orders issued by Governor Inslee, other  
21 Governors, and/or other civil authorities and whose Extended Business Income claim has  
22 been denied by Defendant.

23  
24 J. ***Extended Business Income Breach of Contract Washington Subclass:***  
25 All persons and entities in the state of Washington issued one of Defendant's policies  
26 with Extended Business Income Coverage who suffered a suspension of their business at

1 the covered premises related to COVID-19 and/or proclamations or orders issued by  
2 Governor Inslee, and/or other civil authorities and whose Extended Business Income  
3 claim has been denied by Defendant.

4       **K. *Extended Business Income Declaratory Relief Class:*** All persons and  
5 entities in the United States issued one of Defendant’s policies with Extended Business  
6 Income Coverage who suffered a suspension of their business at the covered premises  
7 related to COVID-19 and/or proclamations or orders issued by Governor Inslee, other  
8 Governors, and/or other civil authorities.

9  
10       **L. *Extended Business Income Declaratory Relief Washington Subclass:*** All  
11 persons and entities in the state of Washington issued one of Defendant’s with Extended  
12 Business Income Coverage who suffered a suspension of their business at the covered  
13 premises related to COVID-19 and/or proclamations or orders issued by Governor Inslee,  
14 and/or other civil authorities.

15  
16       **M. *Civil Authority Breach of Contract Class:*** All persons and entities in the  
17 United States issued one of Defendant’s policies with Civil Authority Coverage who  
18 suffered a suspension of their business at the covered premises related to the impact of  
19 COVID-19 and/or proclamations or orders issued by Governor Inslee, other Governors,  
20 and/or other civil authorities and whose Civil Authority claim has been denied by  
21 Defendant.

22  
23       **N. *Civil Authority Breach of Contract Washington Subclass:*** All persons  
24 and entities in the state of Washington issued one of Defendant’s policies with Civil  
25 Authority Coverage who suffered a suspension of their business at the covered premises  
26 related to the impact of COVID-19 and/or proclamations or orders issued by Governor

1 Inslee, and/or other civil authorities and whose Civil Authority claim has been denied by  
2 Defendant.

3 **O. *Civil Authority Declaratory Relief Class:*** All persons and entities in the  
4 United States issued one of Defendant's policies with Civil Authority Coverage who  
5 suffered a suspension of their business at the covered premises related to COVID-19  
6 and/or proclamations or orders issued by Governor Inslee, other Governors, and/or other  
7 civil authorities.  
8

9 **P. *Civil Authority Declaratory Relief Washington Subclass:*** All persons and  
10 entities in the state of Washington issued one of Defendant's policies with Civil  
11 Authority Coverage who suffered a suspension of their business at the covered premises  
12 related to COVID-19 and/or proclamations or orders issued by Governor Inslee, and/or  
13 other civil authorities.  
14

15 **Q. *Crisis Management Breach of Contract Class:*** All persons and entities in  
16 the United States issued one of Defendant's policies with Crisis Management Coverage  
17 who suffered a suspension of their business at the covered premises related to COVID-19  
18 and/or proclamations or orders issued by Governor Inslee, other Governors, and/or other  
19 civil authorities, and whose Crisis Management claim has been denied by Defendant.  
20

21 **R. *Crisis Management Breach of Contract Washington Subclass:*** All  
22 persons and entities in the state of Washington issued one of Defendant's policies with  
23 Crisis Management Coverage who suffered a suspension of their business at the covered  
24 premises related to COVID-19 and/or proclamations or orders issued by Governor Inslee,  
25 and/or other civil authorities and whose Crisis Management claim has been denied by  
26 Defendant.

1           S.       ***Crisis Management Declaratory Relief Class:*** All persons and entities in  
2 the United States issued one of Defendant’s policies with Crisis Management Coverage  
3 who suffered a suspension of their business at the covered premises related to COVID-19  
4 and/or proclamations or orders issued by Governor Inslee, other Governors, and/or civil  
5 authorities.  
6

7           T.       ***Crisis Management Declaratory Relief Washington Subclass:*** All  
8 persons and entities in the state of Washington issued one of Defendant’s policies with  
9 Crisis Management Coverage who suffered a suspension of their business at the covered  
10 premises related to COVID-19 and/or proclamations or orders issued by Governor Inslee,  
11 and/or other civil authorities.  
12

13           U.       ***Off Premises Special Event Cancellation Coverage Breach of Contract***  
14 ***Class:*** All persons and entities in the United States issued one of Defendant’s policies  
15 with Off Premises Special Event Cancellation Coverage who suffered event cancellation  
16 related to COVID-19 and/or proclamations or orders issued by Governor Inslee, other  
17 Governors, and/or other civil authorities, and whose Off Premises Special Event  
18 Cancellation Coverage claim has been denied by Defendant.  
19

20           V.       ***Off Premises Special Event Cancellation Coverage Breach of Contract***  
21 ***Washington Subclass:*** All persons and entities in the state of Washington issued one of  
22 Defendant’s policies with Off Premises Special Event Cancellation Coverage who  
23 suffered event cancellation related to COVID-19 and/or proclamations or orders issued  
24 by Governor Inslee, and/or other civil authorities and whose Off Premises Special Event  
25 Cancellation Coverage claim has been denied by Defendant.  
26

1           W.     ***Off Premises Special Event Cancellation Coverage Declaratory Relief***

2     ***Class:*** All persons and entities in the United States issued one of Defendant’s policies  
3     with Off Premises Special Event Cancellation Coverage Coverage who suffered event  
4     cancellation related to COVID-19 and/or proclamations or orders issued by Governor  
5     Inslee, other Governors, and/or civil authorities.  
6

7           X.     ***Off Premises Special Event Cancellation Coverage Declaratory Relief***

8     ***Washington Subclass:*** All persons and entities in the state of Washington issued one of  
9     Defendant’s policies with Off Premises Special Event Cancellation Coverage who  
10    suffered event cancellation related to COVID-19 and/or proclamations or orders issued  
11    by Governor Inslee, and/or other civil authorities.  
12

13           Y.     ***Event Cancellation and Postponement Expense Reimbursement***

14    ***Coverage Breach of Contract Class:*** All persons and entities in the United States issued  
15    one of Defendant’s policies with Event Cancellation and Postponement Expense  
16    Reimbursement Coverage who suffered event cancellation related to COVID-19 and/or  
17    proclamations or orders issued by Governor Inslee, other Governors, and/or other civil  
18    authorities, and whose Event Cancellation and Postponement Expense Reimbursement  
19    Coverage claim has been denied by Defendant.  
20

21           Z.     ***Event Cancellation and Postponement Expense Reimbursement***

22    ***Coverage Breach of Contract Washington Subclass:*** All persons and entities in the state  
23    of Washington issued one of Defendant’s policies with Event Cancellation and  
24    Postponement Expense Reimbursement Coverage who suffered event cancellation related  
25    to COVID-19 and/or proclamations or orders issued by Governor Inslee, and/or other  
26

1 civil authorities and whose Event Cancellation and Postponement Expense  
2 Reimbursement Coverage claim has been denied by Defendant.

3 **AA. *Event Cancellation and Postponement Expense Reimbursement***

4 ***Coverage Declaratory Relief Class:*** All persons and entities in the United States issued  
5 one of Defendant's policies with Event Cancellation and Postponement Expense  
6 Reimbursement Coverage who suffered event cancellation related to COVID-19 and/or  
7 proclamations or orders issued by Governor Inslee, other Governors, and/or civil  
8 authorities.  
9

10 **BB. *Event Cancellation and Postponement Expense Reimbursement***

11 ***Coverage Declaratory Relief Washington Subclass:*** All persons and entities in the state  
12 of Washington issued one of Defendant's policies with Event Cancellation and  
13 Postponement Expense Reimbursement Coverage who suffered a suspension of their  
14 business at the covered premises related to COVID-19 and/or proclamations or orders  
15 issued by Governor Inslee, and/or other civil authorities.  
16

17 **CC. *Communicable Disease Extra Expense Coverage Breach of Contract***

18 ***Class:*** All persons and entities in the United States issued one of Defendant's policies  
19 with Communicable Disease Extra Expense Coverage who suffered a communicable  
20 disease event related to COVID-19 and/or proclamations or orders issued by Governor  
21 Inslee, other Governors, and/or other civil authorities, and whose Communicable Disease  
22 Extra Expense Coverage claim has been denied by Defendant.  
23

24 **DD. *Communicable Disease Extra Expense Coverage Breach of Contract***

25 ***Washington Subclass:*** All persons and entities in the state of Washington issued one of  
26 Defendant's policies with Communicable Disease Extra Expense Coverage who suffered

1 a communicable disease event related to COVID-19 and/or proclamations or orders  
2 issued by Governor Inslee, and/or other civil authorities and whose Communicable  
3 Disease Extra Expense Coverage claim has been denied by Defendant.

4 EE. ***Communicable Disease Extra Expense Coverage Declaratory Relief***

5 ***Class:*** All persons and entities in the United States issued one of Defendant's policies  
6 with Communicable Disease Extra Expense Coverage who suffered a communicable  
7 disease related to COVID-19 and/or proclamations or orders issued by Governor Inslee,  
8 other Governors, and/or civil authorities.

9 FF. ***Communicable Disease Extra Expense Coverage Declaratory Relief***

10 ***Washington Subclass:*** All persons and entities in the state of Washington issued one of  
11 Defendant's policies with Crisis Management Coverage who suffered a communicable  
12 disease event related to COVID-19 and/or proclamations or orders issued by Governor  
13 Inslee, and/or other civil authorities.

14 83. Excluded from the Classes and Subclasses are Defendant's officers, directors,  
15 agents, and employees; the judicial officers and associated court staff assigned to this case; and  
16 the immediate family members of such officers and staff. Plaintiffs reserve the right to amend  
17 each proposed Class definition, including based on information obtained in discovery.

18 84. This action may properly be maintained on behalf of each proposed Class under  
19 the criteria of Federal Rule of Civil Procedure 23.

20 85. ***Numerosity:*** The Class Members are so numerous that joinder of all members  
21 would be impractical. Plaintiffs are informed and believe that each proposed Class and Subclass  
22 contains thousands of members. The precise number of Class Members can be ascertained  
23 through discovery, which will include Defendant's records of policyholders.  
24  
25  
26



1           86.    **Commonality and Predominance:** Common questions of law and fact  
2 predominate over any questions affecting only individual members of the Class. Common  
3 questions include, but are not limited to, the following:

4           A.    Whether the Class and Subclass Members suffered cognizable losses  
5 under the Defendant’s policies;

6           B.    Whether Defendant acted in a manner common to the Class and Subclass  
7 in denying claims for coverage relating to COVID-19 and/or orders issued by Governor  
8 Inslee, other Governors, and/or other civil authorities;

9           C.    Whether Business Income Coverage in Defendant’s policies of insurance  
10 applies to a suspension of business relating to COVID-19 and/or orders issued by  
11 Governor Inslee, other Governors, and/or other civil authorities;

12           D.    Whether Extra Expense Coverage in Defendant’s policies of insurance  
13 applies to efforts to minimize a loss relating to COVID-19 and/or orders issued by  
14 Governor Inslee, other Governors, and/or other civil authorities;

15           E.    Whether Extended Business Income Coverage in Defendant’s policies of  
16 insurance applies to a suspension of business relating to COVID-19 and/or orders issued  
17 by Governor Inslee, other Governors, and/or civil authorities;

18           F.    Whether Civil Authority Coverage in Defendant’s policies of insurance  
19 applies to a suspension of business relating to COVID-19 and/or orders issued by  
20 Governor Inslee, other Governors, and/or civil authorities;

21           G.    Whether Crisis Management Coverage in Defendant’s policies of  
22 insurance applies to a suspension of business relating to COVID-19 and/or orders issued  
23 by Governor Inslee, other Governors, and/or other civil authorities;

1 H. Whether Off Premises Special Event Cancellation Coverage in  
2 Defendant's policies of insurance applies to event cancellation relating to COVID-19  
3 and/or orders issued by Governor Inslee, other Governors, and/or other civil authorities;

4 I. Whether Event Cancellation and Postponement Expense Reimbursement  
5 Coverage in Defendant's policies of insurance applies to event cancellation relating to  
6 COVID-19 and/or orders issued by Governor Inslee, other Governors, and/or other civil  
7 authorities;

8 J. Whether Communicable Disease Extra Expense Coverage in Defendant's  
9 policies of insurance applies to communicable disease events relating to COVID-19  
10 and/or orders issued by Governor Inslee, other Governors, and/or other civil authorities;  
11 and  
12

13 K. Whether Defendant carried out a blanket denial of all claims based on  
14 business interruption, income loss or closures related to COVID-19 and/or orders issued  
15 by Governor Inslee, over Governors, and/or other civil authorities.

16 L. Whether Defendant has breached its contracts of insurance through a  
17 blanket denial of all claims based on business interruption, income loss or closures  
18 related to COVID-19 and/or orders issued by Governor Inslee, other Governors, and/or  
19 other civil authorities; and  
20

21 M. Whether, because of Defendant's conduct, Plaintiffs and the Class  
22 Members are entitled to equitable and declaratory relief, and if so, the nature of such  
23 relief.  
24

25 87. **Typicality:** Plaintiffs' claims are typical of the claims of the members of the  
26 Classes. Plaintiffs and all the members of the classes have been injured by the same wrongful

1 practices of Defendant. Plaintiffs' claims arise from the same practices and course of conduct  
2 that give rise to the claims of the Class Members, are based on the same or materially similar  
3 policy forms, and are based on the same legal theories.

4           88.     **Adequacy:** Plaintiffs will fully and adequately assert and protect the interests of  
5 the Classes and have retained class counsel who are experienced and qualified in prosecuting  
6 class actions. Neither Plaintiffs nor their attorneys have any interests contrary to or in conflict  
7 with the Classes.  
8

9           89.     **Federal Rule of Civil Procedure 23(b)(1), the Risk of Inconsistent or Varying**  
10 **Adjudications and Impairment to Other Class Members' Interests:** Plaintiffs seek  
11 adjudication as to the interpretation, and resultant scope, of Defendant's policies, which are  
12 common to all Class Members. The prosecution of separate actions by individual members of the  
13 classes would risk inconsistent or varying interpretations of those policy terms and create  
14 inconsistent standards of conduct for Defendant. The policy interpretations sought by Plaintiffs  
15 could also impair the ability of absent Class Members to protect their interests.  
16

17           90.     **Federal Rule of Civil Procedure 23(b)(2), Declaratory and Injunctive Relief:**  
18 Defendant acted or refused to act on grounds generally applicable to Plaintiffs and other  
19 members of the proposed Classes making injunctive relief and declaratory relief appropriate on a  
20 class-wide basis.  
21

22           91.     **Federal Rule of Civil Procedure 23(b)(3), Superiority:** A class action is  
23 superior to all other available methods of the fair and efficient adjudication of this lawsuit. While  
24 the aggregate damages sustained by the classes are likely to be in the millions of dollars, the  
25 individual damages incurred by each class member may be too small to warrant the expense of  
26 individual suits. Individual litigation creates a risk of inconsistent and/or contradictory decisions

1 and the court system would be unduly burdened by individual litigation of such cases. A class  
2 action would result in a unified adjudication, with the benefits of economies of scale and  
3 supervision by a single court.

## 4 VI. CAUSES OF ACTION

### 5 Count One—Declaratory Judgment

6  
7 *(Brought on behalf of the Business Income Coverage Declaratory Relief Class,*  
8 *Business Income Coverage Declaratory Relief Washington Subclass, Extra Expense*  
9 *Declaratory Relief Class, Extra Expense Declaratory Relief Washington Subclass, Extended*  
10 *Business Income Declaratory Relief Class, Extended Business Income Declaratory Relief*  
11 *Washington Subclass, Civil Authority Relief Class, Civil Authority Relief Washington*  
12 *Subclass, Crisis Management Coverage Declaratory Relief Class, Crisis Management*  
13 *Coverage Declaratory Relief Washington Subclass, Off Premises Special Event Cancellation*  
14 *Coverage Declaratory Relief Class, Off Premises Special Event Cancellation Coverage*  
15 *Declaratory Relief Washington Subclass, Event Cancellation and Postponement Expense*  
16 *Reimbursement Coverage Declaratory Relief Class, Event Cancellation and Postponement*  
17 *Expense Reimbursement Coverage Declaratory Relief Washington Subclass, Communicable*  
18 *Disease Extra Expense Coverage Declaratory Relief Class, and Communicable Disease Extra*  
19 *Expense Coverage Declaratory Relief Washington Subclass)*

20 92. Previous paragraphs alleged are incorporated herein.

21 93. This is a cause of action for declaratory judgment pursuant to the Declaratory  
22 Judgment Act, codified at 28 U.S.C. § 2201.

23 94. Plaintiffs bring this cause of action on behalf of the Business Income Coverage  
24 Declaratory Relief Class, Business Income Declaratory Washington Subclass, Extra Expense  
25 Declaratory Relief Class, Extra Expense Declaratory Relief Washington Subclass Extended  
26 Business Income Declaratory Relief Class, Extended Business Income Declaratory Relief  
Washington Subclass, Civil Authority Declaratory Relief Class, Civil Authority Declaratory  
Relief Washington Subclass, Crisis Management Coverage Declaratory Relief Class, Crisis  
Management Coverage Declaratory Relief Washington Subclass, Off Premises Special Event  
Cancellation Coverage Declaratory Relief Class, Off Premises Special Event Cancellation

1 Coverage Declaratory Relief Washington Subclass, Event Cancellation and Postponement  
2 Expense Reimbursement Coverage Declaratory Relief Class, Event Cancellation and  
3 Postponement Expense Reimbursement Coverage Declaratory Relief Washington Subclass,  
4 Communicable Disease Extra Expense Coverage Declaratory Relief Class, and Communicable  
5 Disease Extra Expense Coverage Declaratory Relief Washington Subclass.  
6

7 95. Plaintiffs seek a declaratory judgment declaring that Plaintiffs' and Class  
8 Members' losses and expenses resulting from the interruption of their business are covered by  
9 the Defendant's policies.

10 96. Plaintiffs seek a declaratory judgment declaring that Defendant is responsible for  
11 timely and fully paying all such claims.  
12

### 13 Count Two—Breach of Contract

14 *(Brought on behalf of the Business Income Coverage Breach of Contract Class,*  
15 *Business Income Coverage Breach of Contract Washington Subclass, Extra Expense Breach*  
16 *of Contract Class, Extra Expense Breach of Contract Washington Subclass, Extended*  
17 *Business Income Breach of Contract Class, Extended Business Income Breach of Contract*  
18 *Washington Subclasses, Civil Authority Breach of Contract Class, Civil Authority Breach of*  
19 *Contract Washington Subclass, Crisis Management Coverage Breach of Contract Class,*  
20 *Crisis Management Breach of Contract Washington Subclass, Off Premises Special Event*  
21 *Cancellation Coverage Breach of Contract Class, Off Premises Special Event Cancellation*  
22 *Coverage Breach of Contract Washington Subclass, Event Cancellation and Postponement*  
23 *Expense Reimbursement Coverage Breach of Contract Class, Event Cancellation and*  
24 *Postponement Expense Reimbursement Coverage Breach of Contract Washington Subclass,*  
25 *Communicable Disease Extra Expense Coverage Breach of Contract Class, and*  
26 *Communicable Disease Extra Expense Coverage Breach of Contract Washington Subclass)*

97. Previous paragraphs alleged are incorporated herein.

98. Plaintiffs bring this cause of action on behalf of the Business Income Coverage  
Breach of Contract Class, Business Income Breach of Contract Washington Subclass, Extra  
Expense Breach of Contract Class, Extra Expense Breach of Contract Washington Subclass,  
Extended Business Income Breach of Contract Class, Extended Business Income Breach of

1 Contract Washington Subclass, Civil Authority Breach of Contract Class, and Civil Authority  
2 Breach of Contract Washington Subclass, Crisis Management Coverage Breach of Contract  
3 Class, Crisis Management Breach of Contract Washington Subclass, Off Premises Special Event  
4 Cancellation Coverage Breach of Contract Class, Off Premises Special Event Cancellation  
5 Coverage Breach of Contract Washington Subclass, Event Cancellation and Postponement  
6 Expense Reimbursement Coverage Breach of Contract Class, Event Cancellation and  
7 Postponement Expense Reimbursement Coverage Breach of Contract Washington Subclass,  
8 Communicable Disease Extra Expense Coverage Breach of Contract Class, and Communicable  
9 Disease Extra Expense Coverage Breach of Contract Washington Subclass.  
10

11 99. The policies are contracts under which Plaintiffs and the class paid premiums to  
12 Defendant in exchange for Defendant's promise to pay Plaintiffs and the class for all claims  
13 covered by the policy.  
14

15 100. Plaintiffs have paid their insurance premiums.

16 101. Plaintiffs have been denied coverage for its losses covered by the Policy.

17 102. Upon information and belief, Defendant has denied, and will continue to deny  
18 coverage for Plaintiffs and other similarly situated policyholders.

19 103. Denying coverage for the claims is a breach of the insurance contract.

20 104. Plaintiffs are harmed by the breach of the insurance contract by Defendant.  
21

## 22 **VII. PRAYER FOR RELIEF**

23 1. Class action status under Federal Rule of Civil Procedure 23.

24 2. A declaratory judgment that the policy or policies cover the Plaintiffs' losses and  
25 expenses resulting from the interruption of the Plaintiffs' business by COVID-19 and/or orders  
26 issued by Governor Inslee, other Governors, and/or other authorities.



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*Attorneys for Plaintiffs and the Proposed Classes*



CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

NEIGHBORHOOD GRILLS MANAGEMENT LLC AND NEIGHBORHOOD GRILLS HOLDING LLC

(b) County of Residence of First Listed Plaintiff King (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

Keller Rohrback L.L.P., 1201 Third Avenue, Suite 3200 Seattle, WA 98101 // Phone: 206-623-1900

DEFENDANTS

NATIONAL SURETY CORPORATION

County of Residence of First Listed Defendant Cook (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question (U.S. Government Not a Party), 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, PTF DEF, 1 1, 2 2, 3 3, 4 4, 5 5, 6 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: Nature of Suit Code Descriptions.

Table with columns: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, PERSONAL INJURY, PRISONER PETITIONS, LABOR, IMMIGRATION, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes various legal categories and codes.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District (specify), 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION: Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 28 U.S.C. § 1332. Brief description of cause: Insurance Bad Faith

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY (See instructions): JUDGE Barbara J. Rothstein DOCKET NUMBER 2:20-cv-01079-BJR

DATE 3/18/21 SIGNATURE OF ATTORNEY OF RECORD s/ Amy Williams-Derry

FOR OFFICE USE ONLY: RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

**INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44**

## Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.  
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here. United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.  
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.  
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.  
 Original Proceedings. (1) Cases which originate in the United States district courts.  
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.  
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.  
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.  
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.  
 Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.  
 Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.  
**PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7.** Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.  
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.  
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

**Date and Attorney Signature.** Date and sign the civil cover sheet.

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Western District of Washington

NEIGHBORHOOD GRILLS MANAGEMENT LLC and
NEIGHBORHOOD GRILLS HOLDING LLC,
individually and on behalf of all others similarly
situated,

Plaintiff(s)

v.

NATIONAL SURETY CORPORATION

Defendant(s)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) National Surety Corporation
225 W. Washington Street, Suite 1800
Chicago, IL 60606

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you
are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ.
P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of
the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney,
whose name and address are: Amy Williams-Derry, Lynn L. Sarko, Ian S. Birk, Gretchen Freeman Cappio,
Irene M. Hecht, Gabriel E. Verdugo, Nathan Nanfelt
KELLER ROHRBACK L.L.P.
1201 Third Avenue, Suite 3200
Seattle, WA 98101

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint.
You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

Civil Action No. \_\_\_\_\_

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_ .

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:  
\_\_\_\_\_

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 .

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc: