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EXHIBITS

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**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

CORELLE BRANDS LLC

Plaintiff,

v.

ZURICH AMERICAN INSURANCE
COMPANY

Defendant.

Case. No.
2021CH01177

12546969

COMPLAINT

Plaintiff Corelle Brands LLC (“Corelle”) complains of Defendant Zurich American Insurance Company (hereinafter “Zurich”) and alleges upon knowledge as to its own acts and upon information and belief as to the acts and omissions of others as follows:

NATURE OF THIS ACTION

1. Corelle comprises numerous tableware, serveware and storage, including but not limited to Corelle®, Pyrex®, Corningware®, and Snapware®,
2. By this Action, Corelle seeks to collect bargained-for coverages under a Zurich EDGE™ all-risks commercial property policy (the “Policy,” attached hereto as Exhibit A) for losses suffered due to the Coronavirus¹ pandemic and the related governmental actions (including the various governmental stay-at-home and business closure orders) in the State of Illinois and across the United States. Corelle’s operations have been and continue to be suspended (as that term is used in Zurich’s Policy) and threatened by the ongoing and increasingly dangerous

¹ The terms “Coronavirus” and “Covid-19” are often used interchangeably in common parlance and are used interchangeably in this Complaint.

FILED DATE: 3/11/2021 5:14 PM 2021CH01177

conditions created by the Coronavirus pandemic. Starting in mid-March, 2020, in order to avoid the near certain risk of danger and harm to its employees and customers, and physical loss or damage to its covered premises, Corelle was forced to suspend or reduce its business operations, including its manufacturing operations at certain covered premises.

3. By the express terms of its Policy, Zurich promised to pay for Corelle's losses resulting from the necessary suspension of its business operations, in circumstances such as those at issue, here. Instead of performing on its promises, Zurich has repudiated its contractual duties it owes to its insured and has unreasonably withheld payment.

4. Corelle purchased the Policy from Zurich for the express purpose of obtaining broad multi-risk protection for losses that it might incur due to various causes of loss or damage to covered property, including its manufacturing premises.

5. Zurich was aware when it sold the Policy of Corelle's intent to obtain full all risks coverage for its covered premises, in exchange for which Zurich collected substantial premiums.

6. Corelle's losses are covered under multiple applicable coverage parts of the Policy, and are not subject to any exclusion. Zurich has nonetheless wrongfully and unreasonably refused to reimburse Corelle for its losses, by wrongfully claiming that the Policy has not been triggered because Corelle's losses have not resulted from "loss of" or "damage to" its covered property. Zurich has also wrongfully argued that even if its coverage is triggered, Policy exclusions apply.

7. The Policy defines a "Covered Cause of Loss" as "[a]ll *risks of* direct physical loss of or damage from any cause unless excluded." (emphasis added). The Policy expressly insures against all "risks" – or threats – of direct physical loss of or damage to property. Under the Policy's express terms, coverage is provided to Corelle where, among other circumstances, Corelle's use of its property was diminished or restricted to prevent the *risk* of spreading Coronavirus and the

risk of loss of or damage to its property. Corelle was as a result deprived of physical use of its premises.

8. Corelle comes before this Court seeking, among other things, compensatory damages and a judicial declaration confirming:

- a. that the various coverage provisions identified herein are triggered by Corelle's claim;
- b. that no exclusion applies to bar coverage for Corelle's claim; and
- c. that Zurich must honor all duties under the Policy, including its duty to pay for the full amount of Corelle's losses incurred as a result of the risks of the Coronavirus pandemic.

JURISDICTION AND VENUE

9. This Court has authority to exercise personal jurisdiction over Zurich because Zurich is a resident of Illinois doing business in Illinois, and the cause of action arises from the transaction of business in Illinois, the commission of a tortious act in Illinois, the contracting to insure a person, property or risk located in Illinois, and the making or performance of a contract or promise substantially connected with Illinois.

10. Venue is proper in this Court because Zurich resides and is headquartered in Cook County.

THE PARTIES

11. Corelle is a Delaware limited liability company with its principal place of business and headquarters in Downers Grove, Illinois. Instant Brands Holdings Inc. (formerly known as Corelle Brands Holdings Inc.), a Delaware corporation with its headquarters in Downers Grove, Illinois, is the sole member of Corelle Brands LLC. At all times relevant hereto, Corelle maintained insurance to protect its property and business in the event of various losses.

12. Zurich is a New York corporation with its principal place of business in Schaumburg, Illinois, and is licensed to transact, and is regularly transacting, business in the State of Illinois.

13. Corelle purchased and maintained the Policy from its headquarters in Illinois.

THE ZURICH INSURANCE POLICY

14. Beginning with its introduction in 2008, Zurich companies marketed The Zurich EDGE™ policy form as offering “broader coverage and greater flexibility.” The CEO of Zurich’s Global Corporate in North America business unit specifically lauded the form’s clarity.

15. In 2011, Zurich revised The Zurich EDGE™ and submitted an Explanatory Memorandum to state insurance regulators to explain the revision. Zurich stated that the revised form was intended to offer policyholders “a clear concise policy that is easy to understand and follow.” Zurich stated that the revised form “will not have any additional costs associated with it and will be rated on our current filed rate plans. These forms do not have any rate impact.”

16. In addition to Zurich’s knowledge of the manufacturing industry in general, and in connection with providing coverage to Corelle, Zurich engaged, or had reasonable opportunities to engage in, an extensive underwriting investigation and to become familiar with and knowledgeable about the nature and scope of Corelle’s business and the nature of the risks against which it was insuring.

17. In exchange for substantial premiums, Zurich sold Corelle the Policy, expressly naming Corelle as an Insured, effective from July 1, 2019, to July 1, 2020. A true and correct copy of the Policy is attached hereto as Exhibit A and incorporated by reference.

18. The Policy provides coverage for building and personal property losses, for business interruption losses (“Time Element”), and other losses. The primary policy limit is \$100 million, which is subject to certain deductibles, sublimits and other conditions.

19. The Policy contains sublimits for certain losses, but others are subject to the full \$100 million primary policy limit. Corelle seeks the full primary policy limit of \$100 million for its Property Damage and Time Element losses combined.

20. The Insuring Agreement in the Policy provides, in relevant part, that the Policy “[i]nsures against direct physical loss of or damage caused by a Covered Cause of Loss to Covered Property, at an Insured Location. . . .” The term “Covered Cause of Loss” is defined as “[a]ll risks of direct physical loss of or damage from any cause unless excluded.”

21. Therefore, the Policy expressly insures against the “risks,” such as, threats of direct physical loss of or damage to property.

22. Although the Insurance Services Office (“ISO”), which is the insurance industry’s drafting organization, had issued revised and more restrictive language eliminating the phrase “risks of” from the standard definition for “Covered Causes of Loss,” Zurich nevertheless chose to continue to utilize the broader, unmodified definition of “Covered Cause of Loss” in the Policy.

23. Specifically, in 2013, ISO revised the “Covered Causes of Loss” definition in its standard “Businessowners Coverage Forms,” such as ISO form BP 00 03 07 13, from “[r]isks of direct physical loss unless the loss is . . . [e]xcluded” to the more restrictive “[d]irect physical loss unless the loss is excluded.”

24. When adopting this new language, ISO also issued a “Notice to Policyholders” that insurers employing the new language could provide to its insureds to explain the changes in policy wording. This notice expressly highlights that “the term ‘risk of’ is removed from the Covered Cause of Loss provision.”

25. Since at least 2013, various insurers have utilized this more restrictive definition of “Covered Causes of Loss” in their first-party property policies. For example, Cincinnati Insurance

Company, in revising its standard property policy form number FM 101, issued a “Notice to Policyholders” in 2016 stating: “As ISO has done in reaction to court decisions, we are deleting the word ‘Risks’ from the preamble to the Covered Causes of Loss section of FM 101.”

26. Zurich chose not to include this more restrictive definition in the Policy that it sold to Corelle for very substantial premium.

27. As used in the Policy, the term “physical loss of” is separate, distinct, and has an independent meaning from the term “damage.”

28. Consequently, even if Corelle’s properties did not suffer physical “damage,” the Policy still provides coverage for the risk of Corelle’s physical “loss of” its property.

29. The Policy does not define “direct.”

30. The Policy does not define “physical.”

31. The Policy does not define “loss” or “loss of.”

32. The Policy does not define “physical loss of.”

33. The Policy does not define “damage.”

34. The Policy does not define the phrase “direct physical loss of or damage.”

35. The Policy does not define the terms “risks” or “risks of.”

36. The Policy does not define the phrase “risks of direct physical loss of or damage.”

37. When undefined, the phrases “direct physical loss of or damage to” and “risks of direct physical loss of or damage” are susceptible to more than one reasonable interpretation.

38. When the undefined phrases “direct physical loss of or damage to” and “risks of direct physical loss of or damage to” are susceptible to more than one reasonable interpretation, it should be construed against the drafter (which, here, is Zurich).

39. The reasonable expectation of an average policyholder is often informed by the dictionary definitions of key words or phrases used in an insurance policy.

40. For example, dictionary definitions of “loss” include:

- a. “Deprivation.” Loss, Merriam-Webster, <https://www.merriam-webster.com/dictionary/loss>
- b. “[D]ecrease in amount, magnitude, or degree.” Loss, Merriam-Webster, <https://www.merriam-webster.com/dictionary/loss>
- c. “The fact that you no longer have something or have less of something.” Loss, Cambridge Dictionary, <https://dictionary.cambridge.org/us/dictionary/english/loss?q=Loss>
- d. “Having less than before.” Loss, Macmillan Dictionary, <https://www.macmillandictionary.com/us/dictionary/american/loss>
- e. “[T]he state of no longer having something or as much of something.” Loss, Oxford Advanced Learner’s Dictionary, <https://www.oxfordlearnersdictionaries.com/us/definition/english/loss?q=loss>

41. At minimum, Corelle suffered a “deprivation,” “decrease” or “having less” of property because of the Coronavirus pandemic.

42. Over forty decisions, including decisions by courts in Illinois, have already concluded that insureds have properly alleged or are in fact entitled to coverage under similar policy terms and in similar factual circumstances to those of Corelle here. Upon information and belief, Zurich is aware of these court decisions. Because numerous courts agree that Coronavirus may cause “direct physical loss of or damage” to property, Corelle’s belief that the Policy provides coverage is at least reasonable even if Zurich believes there is no coverage.

43. If the Policy does not expressly exclude a particular cause of a risk of physical loss of or damage to property, then the non-excluded peril triggers coverage.

**THE INSURANCE INDUSTRY AND ZURICH SPECIFICALLY
KNEW OF THE RISKS AND DANGERS OF THE PANDEMIC**

44. Insurers were repeatedly warned, and have been aware for years, of the potential impact of pandemics. In fact, there were many publicly available reports about the risk of pandemics – and what insurers should do – in the months and years before the Coronavirus pandemic. For example:

- a. One article noted in March 2018: “Even with today’s technology, a modern severe pandemic would cause substantive direct financial losses to the insurance community. In addition, indirect losses would be severe, most notably on the asset side of the balance sheet.”²
- b. The Insurance Library Association of Boston (founded 1887) lists on its website at least 15 articles, reports, and white papers available to insurers from early 2007 through 2018.³ The Association states on its website: “The past 20 years has seen the rise of a number of pandemics. Slate recently published an article on what has been learned about treating them in that time. We thought it might be apt for us to take a look back and see what the insurance industry has learned as well.” The webpage then lists various articles and reports discussing the risks and impacts of pandemics on the insurance industry. For example, an article stated in 2014 that pandemics “can have a significant impact on life and health insurance portfolios, and, depending on contract terms, could also affect other lines such as workers’ compensation, business interruption, travel and event cancellation and disability insurance.”⁴

45. Moreover, over the course of decades, courts have held that the presence of a hazardous substance at or on a property, including the physical airspace inside buildings, constitutes property damage. Many courts have also held that the closure of property due to

² See “What the 1918 Flu Pandemic Can Teach Today’s Insurers,” *AIR* (Mar. 29, 2018), <https://www.air-worldwide.com/publications/air-currents/2018/What-the-1918-Flu-Pandemic-Can-Teach-Today-s-Insurers/> (last visited March 11, 2021).

³ See <https://insurancelibrary.org/2020/02/07/pandemics-and-insurance/> (last visited March 11, 2021).

⁴ See Nita Madhav, “Travel Sickness: Pandemic Risk Models Show Diseases Move More Quickly and with Greater Impact in our Connected World,” *Best’s Review*, 115 no. 8 (Dec. 1, 2014).

imminent risk of physical loss or damage or danger to inhabitants constitutes direct physical loss of property. Upon information and belief, insurers, including Zurich, have been and continue to be aware of these court decisions.

46. In 2006, ISO considered the need to draft an exclusion that would bar coverage for losses caused by a virus, and in July 2006 ISO prepared a circular as part of its filing with state insurance regulators of a standard exclusion of loss due to human disease-causing viruses and bacteria. In that circular, ISO cited “rotavirus, SARS, [and] influenza” and observed that “[t]he universe of disease-causing organisms is always in evolution.”

47. ISO’s circular further recognized that “Disease-causing agents may render a product impure (change its quality or substance), or enable the spread of disease by their presence on interior building surfaces or the surfaces of personal property.”

48. ISO also expressly warned of a need for its exclusion because “the specter of pandemic or hitherto unorthodox transmission of infectious material raises the concern that insurers employing [property] policies may face claims in which there are efforts to expand coverage and to create sources of recovery for such losses, contrary to policy intent.”

49. With its circular ISO thus acknowledged that (i) the presence of a human disease-causing virus could give rise to physical loss or damage to property; (ii) such damage could trigger coverage under property policies for property losses, including business interruption losses; and (iii) absent addition of ISO’s exclusion, the existing language in property policies, like that issued by Zurich here, did not clearly and unambiguously bar coverage for such losses.

50. ISO therefore introduced with its circular a standard-form exclusion that it entitled “Exclusion Of Loss Due To Virus Or Bacteria” (form CP 01 40 07 06 and, in certain jurisdictions, form CP 01 75 07 06). As noted in the circular, the purpose of this standard form language was to

allow those insurers that chose to use it in their insurance policies, to attempt to protect themselves from coverage for loss or damage resulting from infectious material and pandemic.

51. Accordingly, since 2006 insurers have had the opportunity to incorporate, and have incorporated, this standard virus exclusion in certain of their policies in an effort to avoid covering loss due to a disease such as COVID-19. Some insurers went a step further and sought to bar coverage by including in their policies their own express “pandemic,” or other broad human disease-based exclusions.

52. Zurich nonetheless chose to not include the ISO or other more express pandemic or human-based disease exclusion(s) in the Policy.

THE CORONAVIRUS PANDEMIC

53. In December 2019, during the term of the Policy, the first instance of a respiratory illness caused by a novel coronavirus was identified in Wuhan, China. In a matter of weeks, the virus quickly spread across Asia, the United States and most of the world.

54. In January 2020, the first reported case of Coronavirus occurred in the United States.

55. On February 11, 2020, the International Committee on Taxonomy of Viruses named this novel coronavirus “severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)” (the “Coronavirus”). The same day, the World Health Organization (“WHO”) named the disease caused by the Coronavirus, “COVID-19.”

56. On March 11, 2020, the WHO declared the Coronavirus outbreak a worldwide pandemic⁵ and noted its deep concern “by the alarming levels of spread and severity [of the Coronavirus].”

⁵ See World Health Organization, *WHO Director-General’s opening remarks at the media briefing on COVID-19 - 11 March 2020* (Mar. 11, 2020),

57. On March 15, 2020, the Centers for Disease Control and Prevention (“CDC”) recommended canceling or postponing in-person events of more than 50 people for at least 8 weeks because of Coronavirus, and recommended that events of any size should be held virtually if possible, or else “with adherence to guidelines for protecting vulnerable populations, hand hygiene, and social distancing.”⁶

58. According to numerous public health authorities, *everyone* is at risk of exposure to Coronavirus and falling ill with COVID-19. Due to its highly contagious and easily transmitted nature, a single instance of Coronavirus in a community can (and as time has progressed, does) quickly and exponentially grow into a massive, uncontrollable outbreak.

59. Coronavirus has rapidly spread and continues to spread throughout the United States and the world. It is a human pathogen; it is present in viral fluid particles in the air, as well as on surfaces (*e.g.*, walls, furniture, doors, fixtures, countertops and touch screens). It is highly contagious and easily transmitted from person to person, from airspace to person, or from physical surface to person.

60. Coronavirus has several modes of transmission. According to the WHO and the CDC, Coronavirus can spread from person to person through physical droplets from the nose or mouth that are spread when an infected person sneezes, coughs or exhales. The physical droplets then land on nearby objects and surfaces, where Coronavirus remains active and dangerous (even on inert objects and surfaces) for extended periods of time. People “catch” Coronavirus by being

<https://www.who.int/dg/speeches/detail/who-director-general-s-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020> (last visited March 11, 2021).

⁶ See Dawn Kopecki, *CDC Recommends Canceling Events With 50 or More People for the Next Eight Weeks Throughout US*, CNBC (Mar. 15, 2020), available at <https://www.cnbc.com/2020/03/16/cdc-recommends-the-cancellation-of-events-with-50-or-more-people-for-the-next-eight-weeks-throughout-us.html> (last visited March 11, 2021).

in the vicinity of a person who has Coronavirus and breathing in shed droplets from the airspace, or by touching objects or surfaces on which droplets landed and then touching their own eyes, nose or mouth. Those people then further spread Coronavirus throughout their environments and communities in the same manner.

61. Coronavirus has spread widely in this manner, in Illinois and nationwide, including through interactions with physical property inside premises, and encounters with airborne particles within premises.

62. Importantly, even asymptomatic infected persons (*i.e.*, those who have no sign of illness) can and do spread Coronavirus.⁷ In fact, studies have estimated that over 40% of infected individuals may never develop symptoms, yet still spread Coronavirus through physical droplets.⁸

63. According to a report in *The New York Times*, “[a]n infected person talking for five minutes in a poorly ventilated space can also produce as many viral droplets as one infectious cough.”⁹ And, one human sneeze can expel droplets that can travel up to 27 feet at nearly a hundred miles an hour.¹⁰ Thus, the WHO has reported that airborne transmission of Coronavirus may be possible in certain circumstances, and “is different from droplet transmission as it refers

⁷ See World Health Organization, *Coronavirus disease 2019 (COVID-19) Situation Report – 73* (Apr. 2, 2020), https://www.who.int/docs/default-source/coronaviruse/situation-reports/20200402-sitrep-73-covid-19.pdf?sfvrsn=5ae25bc7_2 (last visited March 11, 2021).

⁸ See, e.g. Erika Edwards, *Asymptomatic COVID-19 Cases May Be More Common Than Suspected* (May 27, 2020, 1:43 PM), <https://www.nbcnews.com/health/health-news/asymptomatic-covid-19-cases-maybe-more-common-suspected-n1215481> (last visited March 11, 2021).

⁹ See Yuliya Pashina-Kottas, *et al.*, This 3-D Simulation Shows Why Social Distancing Is So Important, *The New York Times* (April 14, 2020), available at <https://www.nytimes.com/interactive/2020/04/14/science/coronavirus-transmission-cough-6-feet-ar-ul.html> (last visited March 11, 2021).

¹⁰ See Sarah Gibbens, “See how a sneeze can launch germs much farther than 6 feet,” *National Geographic* (April 17, 2020), <https://www.nationalgeographic.com/science/2020/04/coronavirus-covid-sneeze-fluid-dynamics-in-photos/> (last visited March 11, 2021).

to the presence of microbes within droplet nuclei, which...[can] be transmitted to others over distances greater than 1 m.”¹¹

64. In addition to remaining within the physical airspace of buildings, respiratory droplets expelled from infected individuals land on, attach, and adhere to surfaces and objects. In doing so, they physically change the property and its surface by becoming a part of that surface. As a result of this physical alteration, contact with those previously safe, inert surfaces (*e.g.*, walls, tables, countertops) has been made unsafe.

65. At the time Zurich evaluated Corelle’s claim for coverage, numerous scientific studies had documented that Coronavirus can physically remain on and alter property for extended periods of time. For example:

- a. A study documented in the *New England Journal of Medicine* found that Coronavirus is detectable in aerosols (*i.e.*, fine solid particles in air) for up to three hours, on copper for up to four hours, on cardboard up to 24 hours and on plastic or stainless steel for **up to two to three days**.¹²
- b. Another study found that human coronaviruses, such as SARS-CoV and MERS-CoV, can remain infectious on inanimate surfaces and objects at room temperature for **up to nine days**.¹³ Such surfaces, materials and objects are common in the manufacturing industry and include plastic, steel, Teflon and metal.
- c. A peer-reviewed article published in *Virology Journal* on October 7, 2020 found that Coronavirus can survive on surfaces for **up to 28 days** at ambient

¹¹ See World Health Organization, *Modes of Transmission of Virus Causing COVID-19: Implications for IPC* (Mar. 29, 2020, updated on July 9, 2020), <https://www.who.int/news-room/commentaries/detail/modes-of-transmission-of-virus-causing-covid-19-implications-for-ipc-precaution-recommendations> (last visited March 11, 2021).

¹² See News Release, *New Coronavirus Stable for Hours on Surfaces*, NAT’L INSTS. OF HEALTH (Mar. 17, 2020), available at <https://www.nih.gov/news-events/news-releases/new-coronavirus-stable-hours-surfaces> (last visited March 11, 2021).

¹³ See G. Kampf *et al.*, *Persistence of Coronaviruses on Inanimate Surfaces and Their Inactivation with Biocidal Agents*, J. HOSPITAL INFECTION (Feb. 6, 2020), available at [https://www.journalofhospitalinfection.com/article/S0195-6701\(20\)30046-3/fulltext](https://www.journalofhospitalinfection.com/article/S0195-6701(20)30046-3/fulltext) (last visited March 11, 2021).

temperature and humidity (20 °C [68 °F] and 50% RH).¹⁴ The article concludes that Coronavirus “can remain infectious for significantly longer time periods than generally considered possible.”

66. Accordingly, because even with no symptoms an individual can spread Coronavirus simply by breathing or talking, and because droplets containing Coronavirus can land and remain infectious on surfaces for many days, *the risks* posed by Coronavirus are not temporary. Even when the air and surfaces inside a building are thoroughly and effectively cleaned, each time an infected person enters that space the cycle renews such that infectious Coronavirus is likely (if not certain) to be present wherever people are located or congregate. The world having seen communities shut down and reopen, only to be shut down again following another outbreak demonstrates that the risk of spread wherever people are gathered (when indoors or in many instances, outdoors) is a near certainty. Because of this guaranteed risk of significant harm and damage to persons and property Corelle was required to suspend or reduce its operations at covered premises, including its retail stores nationwide and manufacturing operations in Pennsylvania, Mississippi, and by governmental order in New York. This chain of events has created great risk to Corelle of direct physical loss of or damage to covered property, in addition to actual direct physical loss of or damage to property.

67. State and local governments and public health officials in the jurisdictions where Corelle suspended operations acknowledge that Coronavirus causes direct physical loss of and damage to property. For example:

- a. The City of New York issued an Emergency Executive Order in response to the Coronavirus pandemic, in part “because the virus physically is causing property loss and damage.”

¹⁴ See S. Riddell, *et al.*, *The effect of temperature on persistence of SARS-CoV-2 on common surfaces*, 17 *Virology J.*, Art. No. 145 (2020).

- b. The City of Philadelphia issued an Emergency Order that states “COVID-19 may remain viable for hours to days on surfaces made from a variety of materials located in businesses and other places, thus contaminating certain property and places.”
- c. The Secretary of the Pennsylvania Department of Health issued an Order Directing Building Safety Measures in part because “exposure is possible by touching a surface or object that has the virus on it and then touching one’s nose, mouth or eyes.”
- d. The State of Mississippi issued an Executive Order stating that “the risk of spread of COVID-19 within Mississippi constitutes a public emergency that may result in substantial injury or harm to life, health and property within Mississippi.”

68. The actual and/or threatened presence of Coronavirus particles at Corelle’s covered premises has rendered physical property within the premises damaged, unusable, uninhabitable, unfit for intended function, dangerous, and unsafe. It has impaired and diminished the value, utility and normal function of the premises (including the physical property contained within). Similarly, the presence at Corelle premises of individuals infected with Coronavirus, or carrying Coronavirus particles on their body (including their clothing and any other objects on their body), has rendered and/or created the risk of the premises and the physical property located there unusable, damaged and unsafe. These circumstances have caused and can continue to cause and/or create the risk of direct physical loss of and damage to the covered premises and property. And, as to premises where Coronavirus has not in fact specifically been identified, given the nature of the disease, the risk of such consequences is near certain, if not certain.

69. Zurich’s own webpage admits the physical dangers associated with Coronavirus, advising customers to rely on the *New England Journal of Medicine*, the CDC, and other similar

sources for advice as to how long the virus survives on surfaces and touch points.¹⁵ Zurich has underscored the need to repeatedly disinfect these surfaces, and to employ social distancing as an additional safety precaution.

70. The Policy expressly insures against the “risks” of Coronavirus making Corelle properties unusable, damaged or unsafe.

**RESPONSES BY CORELLE AND GOVERNMENTAL PUBLIC HEALTH
AUTHORITIES TO THE PANDEMIC**

71. On March 16, 2020, the CDC and the national Coronavirus Task Force issued guidance titled “30 Days to Slow the Spread” of Coronavirus. The guidance called for extreme social distancing measures, such as working from home and avoiding gatherings of more than 10 people.

72. State governments across the nation recognized the unprecedented and catastrophic situation. Illinois, New York, Pennsylvania, Mississippi and many other states issued “state of emergency” declarations in early March.

73. In addition, states and localities across the country issued orders mandating the closure of non-essential in-person businesses, limiting the size of public and private gatherings, and encouraging or requiring citizens to “shelter in place” or “stay at home.”

74. Within a short time, all states and localities where Corelle conducted operations issued orders suspending or severely limiting business operations of essential and nonessential businesses where people could almost certainly contract COVID-19 from others or the property itself.

¹⁵ See *Facility & office disinfection during the COVID-19 crisis* (May 13, 2020), <https://www.zurichna.com/knowledge/articles/2020/05/disinfecting-offices-and-facilities-during-the-covid-19-crisis> (last visited March 11, 2021).

75. Commencing in March 2020, as a result of the risks associated with the Coronavirus pandemic, including direct physical loss or damage to covered property, and in compliance with government guidance and orders, Corelle was required to limit, reduce or suspend operations at its covered premises.

76. On March 21, 2020, New York Governor Andrew Cuomo issued Executive Order 202.8 requiring all New York businesses to close except those designated as “essential” businesses.

77. On March 21, 2020, Corelle commenced shutting down its decorating operations at its Corning, New York facility.

78. Corelle submitted an application to the New York Empire State Development agency (“ESD”) for its Corning, New York facility to be designated as an essential business.

79. On April 2, 2020, ESD advised Corelle that its Corning, New York operation was not considered an essential business and mandated a complete shut-down of its production, except that it permitted Corelle to use a 65-employee skeleton crew to keep its furnaces running without production. This minimal operation prevented the total loss of Corelle furnaces which would be irreparably damaged if not continually operated. Corning shut down its manufacturing operations on April 13, 2020.

80. As a result, during the period of suspended operations, Corelle was unable to fulfill outstanding purchase orders for Corelle products, and was also forced to reject new purchase orders, resulting in Corelle suffering substantial lost profits. In addition, Corelle’s inability to deliver existing orders resulted in additional losses due to contractual penalties as set forth in its purchase orders with its retailer customers.

81. After the State of New York permitted Corelle to reopen its Corning, New York facility, Corelle was required to undergo a “ramp-up” period in order to resume production.

During this ramp-up period, despite requests from its retailer customers to have Corelle fulfill purchase orders for Corelle's products, Corelle continued to be unable to fulfill those purchase orders, resulting in additional substantial losses.

82. Though Corelle was able to resume its decorating operations at Corning on June 16, 2020, Corelle was not able to resume manufacturing at Corning until early July, 2020, at which time it began to ramp up to full manufacturing production over the next 45 days. This suspension of operations at Corning resulted in substantial losses of revenue.

83. Corelle's manufacturing and distribution facilities located in Greencastle, Pennsylvania, Charleroi, Pennsylvania, and Bahalia, Mississippi were permitted to remain open as essential businesses. However, due to the risks of spread of Coronavirus from person to person, from airspace to person, and from surface to person, and in compliance with government directives, Corelle was required to physically space employees at least 6 feet apart. With fewer employees permitted on site at a time, Corelle suffered a loss of productivity.

84. For example, Corelle purchased a new decorating machine which was essential to its production of certain new products at its Charleroi, Pennsylvania facility. However, Corelle was unable to bring the machine to be fully operational for approximately 60 days, because employees could not, due to the inherent risk of the presence of COVID-19 and its transmission, stand sufficiently close to each other to implement operation.

85. In addition, at its premises in Pennsylvania and Mississippi, Corelle incurred increased costs due to labor shortages caused by the pandemic. When employees contracted COVID-19 or were not able to come to work, Corelle was required to outsource labor to outside companies to meet the demand for labor.

86. At each of its premises, Corelle also incurred costs and expenses to prevent the spread and risk of Coronavirus, such as extra cleaning measures and purchasing personal protective equipment and other safety equipment.

87. Due to the closure of and/or limitation on the use of its premises, Corelle could not conduct new product development, resulting in additional losses.

88. Corelle also incurred losses when it was forced to close its retail stores nationwide, due to the risks of the Coronavirus pandemic and in compliance with government directives.

89. Corelle also has incurred substantially increased delivery costs due to limitations on worldwide shipping services. Other businesses upon which Corelle depends to import and supply its goods, such as international transportation ships, have been suspended and limited due to the risks of the Coronavirus pandemic.

IMPACT OF THE CORONAVIRUS PANDEMIC

90. The impact of the Coronavirus pandemic has been massive and devastating to people, businesses, and local governments. As of March 11, 2021, Coronavirus has been detected in nearly every country. Total reported cases top 118 million people, and more than 2.62 million people have died. In the United States alone, more than 29.2 million people have tested positive for COVID-19, and more than 529,000 people have died as a result of it.

91. The states', cities' and counties' attempts at phased reopenings in the summer and fall of 2020 did not help matters. As some visitors cautiously returned to patronize businesses, so did Coronavirus – leading many localities to reimpose restrictions on businesses, including restaurants, to combat the latest surge.

92. For these reasons, it is virtually certain that Coronavirus presents a continued risk of direct physical loss of or damage to Corelle premises. Each time any person enters a place of business, so do the risks associated with Coronavirus.

93. Indeed, if Corelle had conducted business as usual, the disease and virus spread would have been inevitable, as well as its resulting impact on persons and property. Under these circumstances, Corelle's property could not be used according to its intended function.

**THE ZURICH INSURANCE POLICY APPLIES
TO CORELLE'S CORONAVIRUS LOSSES**

94. The risk of spread of Coronavirus causes direct physical loss of or damage to property, and the Policy includes no enforceable exclusion that would preclude coverage for such risks of loss of or damage to covered property.

95. The Policy explicitly recognizes that a risk of contamination or other loss from particles located in the air or not visible to the eye constitutes "direct physical loss of or damage" to property even when such particles do not cause physical alteration to structures. For example:

- a. The Policy covers ammonia contamination resulting from a Breakdown of Covered Equipment at a Scheduled Location.
- b. The Policy covers radioactive contamination.
- c. The Policy covers certain "Decontamination Costs" where a property is Contaminated and there is a law or ordinance regulating the Contamination due to the "actual" presence of Contaminant(s). The terms "Contaminated" and "Contamination" are defined by endorsement to mean: "Any condition of property due to the actual presence of any Contaminant(s)." The term "Contaminant(s)" is defined by endorsement to mean: "Any solid, liquid, gaseous, thermal or other irritant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste (including materials to be recycled, reconditioned or reclaimed), asbestos, ammonia, other hazardous substances, Fungus or Spores."
- d. The Policy contains a "Contamination" exclusion purporting to exclude costs due to "Contamination," which by endorsement is defined to mean "[a]condition of property due to the actual presence of any Contaminant(s)," which in turn is defined to include "smoke, vapor, ... [and] fumes." The inclusion of a so-called "Contamination" exclusion in the Policy purporting to bar coverage due to the presence of substances which do not cause physical alteration of structures, such as "smoke" "vapor" and "fumes," demonstrates Zurich's acknowledgment that such substances can cause physical loss of property, absent an express exclusion.

THE POLICY’S PROPERTY DAMAGE COVERAGE APPLIES

96. The “Property Damage” section of the Policy provides coverage for property, including personal property, at or within 1,000 feet of Corelle’s locations against “direct physical loss of or damage” caused by a Covered Cause of Loss.

97. Covered Cause of Loss means “[a]ll risks of direct physical loss of or damage from any cause unless excluded.” (emphasis added).

98. Corelle faced and continues to face the imminent “risk” of physical loss of or damage to its property because of the ongoing and increasingly dangerous Coronavirus pandemic.

99. Accordingly, the Policy’s “Property Damage” coverage is triggered, and Corelle’s loss of or damage to its property is covered by the Policy.

**THE POLICY’S BUSINESS INTERRUPTION
(TIME ELEMENT) AND EXTRA EXPENSE COVERAGES APPLY**

100. The “Time Element” section of the Policy provides coverage for the “actual Time Element loss the Insured sustains” during the Period of Liability resulting from “the necessary Suspension of the Insured’s business activities at an Insured Location.” The Suspension must be due to direct physical loss of or damage to covered property caused by a Covered Cause of Loss.

101. Covered Cause of Loss means “[a]ll risks of direct physical loss of or damage from any cause unless excluded.” (emphasis added).

102. “Suspension” is defined to include the “slowdown or cessation of the Insured’s business activities.”

103. The Policy therefore provides business interruption coverage when the insured suffers a slowdown or cessation of its business activities due to loss of or damage to covered property caused by the “risks” of the Coronavirus pandemic.

104. As set forth herein, Corelle slowed or ceased its operations because of the imminent “risk” that Coronavirus would cause direct physical loss of or damage to covered property, and suffered a loss of business income as a result.

105. The Policy also provides coverage for “Extra Expenses,” which are defined as “the amount spent to continue the Insured’s business activities over and above the expenses the Insured would normally have incurred had there been no direct physical loss of or damage to” covered property.

106. As set forth herein, Corelle has incurred and will continue incurring expenses over and above the expenses it would have normally incurred had there been no direct physical loss of or damage to its covered property.

107. The Policy also provides coverage for “Contingent Time Element” loss resulting from the suspension of the insured’s business activities that results from direct physical loss or damage to property caused by a Covered Cause of Loss at a Direct Dependent Time Element Location and Attraction Properties.

108. The term “Direct Dependent Time Element Location” is defined to include “Any Location of a direct: customer, supplier, contract manufacturer or contract service provider to the Insured.” As defined, international shipping businesses constitute “Direct Dependent Time Element Locations.”

109. As set forth herein, Corelle incurred substantially increased delivery costs due to limitations on worldwide shipping services caused by the risks of the pandemic to those businesses.

110. The term “Attraction Properties” means “A property within the distance described in the declarations of an Insured Location that attracts customers to the Insured’s business.” The distance stated in the declarations is 5 miles.

111. As set forth herein, Corelle incurred substantial losses when it was forced to close its retail stores due to the risks of the pandemic. Even though certain of Corelle's stores subsequently reopened, other stores and properties in the nearby vicinity of Corelle stores remained closed due to the risks of the pandemic at those locations. Consequently, Corelle incurred additional losses because patrons who would otherwise have been attracted to Corelle stores during trips to those "Attraction Properties" no longer or less frequently visited Corelle's stores.

112. Accordingly, the Policy's "Time Element" (including Extra Expense) coverages are triggered, and Corelle's business interruption losses are covered by the Policy's Time Element coverages.

**THERE IS NO ENFORCEABLE POLICY
EXCLUSION APPLICABLE TO CORELLE'S LOSS**

113. A pandemic, such as Coronavirus, is not excluded by the Policy.

114. Had Zurich wished to exclude pandemic from the Policy, it could have incorporated into the Policy either a specific exclusion (such as a pandemic or other similar broad and express exclusion), or the ISO virus or bacteria exclusion referenced in ¶ 50, *supra*. Zurich did neither.

115. Upon information and belief, Zurich was aware of the risk of an infectious disease pandemic such as due to SARS and avian flu prior to issuing the Policy to Corelle.

116. Now, after being presented with Corelle's claim, Zurich is attempting to avoid coverage for an infectious disease pandemic, such as the present Coronavirus pandemic.

117. In denying coverage, Zurich contended that the Policy's "Contamination" exclusion ("Contamination Exclusion") applied to limit or bar coverage. Zurich is wrong.

118. In the base form of the Policy (i.e., the portion of the Policy exclusive of any endorsements and bearing form number “EDGE-101-B (12/10)”), the exclusion upon which Zurich relied in denying coverage states in relevant part:

This Policy excludes the following unless it results from direct physical loss or damage not excluded by this Policy.

Contamination, and any cost due to **Contamination** including the inability to use or occupy property or any cost of making property safe or suitable for use or occupancy, except as provided by the Radioactive Contamination Coverage of this Policy.

119. The base form of the Policy defines “Contaminant(s)” as “[a]ny solid, liquid, gaseous, thermal or other irritant, pollutant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste (including materials to be recycled, reconditioned or reclaimed), asbestos, ammonia, other hazardous substances, Fungus or Spores.”

120. Despite including in the base form of the Policy a definition of “Contaminant” that does not include health hazards such as “pathogens” or “virus,” the base form of the Policy does not, as a reasonable insured would expect, define “Contamination” straightforwardly as “any condition of property due to the actual presence of any Contaminant(s).”

121. Instead, the base form defines “Contamination” in relevant part as “[a]ny condition of property due to the actual presence of any foreign substance, impurity, pollutant, hazardous material, poison, toxin, pathogen or pathogenic organism, bacteria, virus, disease causing or illness causing agent....”

122. The Policy provides no explanation for Zurich’s decision to eschew defining “Contamination” by referring to “Contaminants” and to instead opt for a separately crafted and broader definition of “Contamination.” But, Zurich’s inclusion in the base form’s definition of “Contamination” items such as “pathogen” “virus” and “disease causing or illness causing agent,”

suggests that it hoped to expand, without detection, the scope of what was in reality and intended to be a pollution exclusion well beyond what a reasonable insured would expect.

123. Despite Zurich's effort to broaden the scope of the exclusion beyond the expectations of a reasonable insured, the scope of the Contamination Exclusion was revised through an endorsement (the "Virus Deletion Endorsement"), in response to the requirement of a state regulator, to be more consistent with the expectations of a reasonable insured.

124. The drafting history of the Virus Deletion Endorsement reveals that the purpose of the revisions to "Contamination" and "Contaminants" in the Virus Deletion Endorsement was to clarify and render the Contamination Exclusion consistent with the expectations of a reasonable insured.

125. Specifically, in 2011, Zurich submitted a revised version of the EDGE™ form to the Louisiana Insurance Department (the "Department") for approval. The Department objected to several provisions in Zurich's revised form, including the "Contamination" exclusion, stating in an Explanatory Memorandum that by the inclusion of health hazards such as "pathogens . . . bacteria and virus" within the definition of "Contamination," the base form's version of the Contamination exclusion went beyond the scope of what was appropriate for an exclusion for contamination." A true and correct copy of the referenced filing is attached hereto as Exhibit B and is incorporated by reference.

126. The Explanatory Memorandum states, "This Department views pollutants as substances that damage the natural environment when accidentally spilled, leaked, or discharged. Hence, the presence of products such as ... mold, mildew, and bacteria and *virus that lead to disease or health hazards* do not fit our definition of pollutants and *should not be included in the*

text of a pollution exclusion or referred to as examples of pollutants.) (emphasis added). Exhibit B at 13.

127. The Explanatory Memorandum further noted that if Zurich wished to exclude losses resulting from health hazards, it should create separate exclusions for such losses, because it was not appropriate to try to exclude them by way of a contamination/pollution exclusion:

Damages relating to these types of products and health hazards MAY be excluded from coverage, but they should not be included within a pollution exclusion. It is recommended to create separate exclusions and definitions for contaminants such as fungus, mold, asbestos, spores, bacteria, virus, biological substances, medical waste and products that may lead to disease.

Exhibit B at 13 (emphasis added).

128. Accordingly, the Virus Deletion Endorsement replaces the definition of “Contamination” to incorporate the term “Contaminant(s),” and to narrow the definition of “Contaminant(s),” as follows:

11. The following is deleted from SECTION VII - DEFINITIONS

Contamination(Contaminated) - Any condition of property due to the actual presence of any foreign substance, impurity, pollutant, hazardous material, poison, toxin, pathogen or pathogenic organism, bacteria, virus, disease causing or illness causing agent, **Fungus**, mold or mildew.

and replaced by the following:

Contamination(Contaminated) - Any condition of property due to the actual presence of any **Contaminant(s)**.

12. The following is deleted from SECTION VII – DEFINITIONS:

Contaminant(s) - Any solid, liquid, gaseous, thermal or other irritant, pollutant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste (including materials to be recycled, reconditioned or reclaimed), asbestos, ammonia, other hazardous substances, **Fungus** or **Spores**.

And replaced with the following:

Contaminant(s) - Any solid, liquid, gaseous, thermal or other irritant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste (including materials to be recycled, reconditioned or reclaimed), other hazardous substances, **Fungus** or **Spores**.

129. Though it bears a title of “Louisiana Endorsement,” the Virus Deletion Endorsement does not, as do other endorsements in the Policy, limit its effect to risks located in the state identified in the title. Instead, The Virus Deletion Endorsement expressly states that it modifies the entire Policy: **“THIS ENDORSEMENT CHANGES THE POLICY. PLEASE**

READ IT CAREFULLY.” Moreover, as shown above, Zurich was required to revise the Contamination Exclusion as set forth in the Virus Deletion Endorsement not because of any insurance regulation unique to Louisiana, but instead to have the exclusion comport with the expectations of reasonable insureds.

130. Under the Policy, coverage is not dictated by headings and titles found in the Policy, with Section 6.21 explicitly stating: “The titles of the various paragraphs and endorsements are solely for reference and shall not in any way affect the provisions to which they relate.”

131. Additional regulatory filings confirm that Zurich was aware that by the terms of the Policy (including the Virus Deletion Endorsement itself), the application of the Virus Deletion Endorsement’s revised Contamination Exclusion is not limited to risks in Louisiana.

132. On August 31, 2020 – i.e., (i) during the near-peak of the Coronavirus pandemic, and while its insureds were seeking coverage for losses related to the pandemic, and (ii) after it sold the Policy to Corelle for the 2019-2020 policy period in exchange for substantial premiums – Zurich sought the Department’s approval to make two revisions to the Virus Deletion Endorsement. One revision related to a mortgagee’s rights to unearned premiums upon cancellation. The other was to add to the Virus Deletion Endorsement’s heading “THIS ENDORSEMENT ONLY APPLIES TO LOCATIONS IN LOUISIANA.” A true and correct copy of the referenced submission to the Louisiana Department of Insurance is attached hereto as Exhibit C and is incorporated by reference.

133. By its post-hoc effort to revise the Virus Deletion Endorsement to limit its effect to Louisiana risks, Zurich acknowledged that absent its requested revision, the Virus Deletion Endorsement’s changes to the Contamination Exclusion applied to all risks, and not just those in Louisiana.

134. The Virus Deletion Endorsement's deletion of any reference to "pathogen or pathogenic organism, bacteria, virus, and disease-causing illness or agent" from the definition of "Contamination" confirms that the so-called "Contamination exclusion" cannot bar coverage for losses due to COVID-19.

135. Certain other of Zurich's regulatory filings demonstrate that Zurich knew that the wording of its Contamination Exclusion did not exclude losses resulting from a virus. For example, in December of 2019, just as the Coronavirus pandemic began worldwide, Zurich filed a regulatory request to modify its policy language in a new version of The Zurich EDGE™ form ("The EDGE™ II"). Buried in the edits, and without reference to the significance of the change, Zurich's filing sought to add an express exclusion for viruses, which it sought to have take effect in July 2020 – after it had sold the Policy to Corelle for the 2019-2020 policy period. A true and correct copy of the referenced submission to the Louisiana Department of Insurance is attached hereto as Exhibit D and is incorporated by reference. A true and correct copy of the redlined endorsement as part of the submission is attached as Exhibit E and is incorporated by reference.

136. The Contamination Exclusion also, on its face, expressly applies to "costs" but makes no mention of "losses." Corelle has suffered substantial "losses" as that term is used in the Policy regardless of any incurred "costs."

137. For multiple reasons, including the foregoing, the Contamination Exclusion is at best for Zurich ambiguous and must be construed in Corelle's favor.

ZURICH'S BREACH OF ITS INSURANCE CONTRACT

138. Corelle timely reported its losses to Zurich under the Policy.

139. On August 3, 2020, Corelle provided its proof of loss and information to Zurich in response to Zurich's specific information requests.

140. By letter dated October 19, 2020, Zurich denied coverage under the Policy.

141. Zurich's October 19, 2020 denial letter contains a boilerplate or form response that does not address the facts and circumstances presented in Corelle's August 3, 2020 submission.

142. The positions Zurich has taken in its correspondence to Corelle make clear that it has no intention of covering Corelle's claim and that any claimed investigation of Corelle's claim was perfunctory and mere pretext.

143. Zurich's denial was premised on a knowing or reckless misrepresentation of fact. Indeed, Zurich's own webpage states that (i) Coronavirus spreads when someone touches a "contaminated surface" and then touches their nose or mouth; (ii) a study in the *New England Journal of Medicine* shows "coronavirus particles can remain suspended in the air for up to three hours" and "can also live on various surfaces for up to 72 hours"; and (iii) "given the length of time the coronavirus can linger on certain surfaces," the CDC recommends frequent cleaning of doorknobs, elevator buttons, light switches, faucet handles, computers, countertops, conference tables, tables and coffee pots.¹⁶ All of this equipment is used at Corelle premises.

144. Zurich misrepresented the scope of the Policy by, *inter alia*, stating that the Contamination exclusion applies when such exclusion is inapplicable, ambiguous and/or unenforceable.

145. Corelle has complied with all terms and conditions contained in the Policy except to the extent its performance has been or is excused or waived by Zurich.

¹⁶ See *Facility & office disinfection during the COVID-19 crisis* (May 13, 2020), <https://www.zurichna.com/knowledge/articles/2020/05/disinfecting-offices-and-facilities-during-the-covid-19-crisis> (last visited March 2, 2021).

COUNT I

BREACH OF CONTRACT

146. Corelle realleges and incorporates by reference all preceding allegations as if fully stated herein.

147. The Policy is a valid and enforceable contract between Corelle and Zurich.

148. Corelle has sustained, and continues to sustain, losses covered under the Policy. Corelle has provided prompt notice of its losses to Zurich.

149. Corelle performed, and was ready to perform, all obligations required of it under the Policy.

150. Zurich breached the Policy by, among other things, denying coverage to Corelle and failing to pay for the losses Corelle sustained.

151. As a direct and proximate result of Zurich's acts and breaches, Corelle has been damaged, and continues to be damaged, in an amount that exceeds the Court's jurisdictional limits and that will be established at trial.

WHEREFORE, Corelle prays for judgment as set forth in the Prayer for Relief below.

COUNT II

BAD FAITH CLAIMS HANDLING

152. Corelle realleges and incorporates by reference all preceding allegations as if fully stated herein.

153. Zurich's denial of coverage is vexatious and unreasonable under the Illinois Insurance Code as a result of one or more of the following:

- a. Zurich repudiated the Policy in writing after Corelle submitted a claim for loss caused by Coronavirus;
- b. Zurich knowingly misrepresenting to Corelle relevant facts or policy provisions relating to coverages at issue;

- c. Zurich refused to pay Corelle's claimed losses without providing a reasonable and accurate explanation of the basis of its denials;
- d. Zurich refused to pay Corelle's claimed losses without conducting a reasonable investigation based on all available information;
- e. Zurich used a form or "boilerplate" letter to deny Plaintiff's claims that failed to address Corelle's specific insurance claims and losses;
- f. Zurich did not attempt in good faith to effectuate a prompt, fair and equitable settlement of Corelle's claim;
- g. Zurich compelled Corelle to institute suit to recover an amount due under the Policy;
- h. Zurich's denial that there has been no "physical loss of" property amounts to a bad faith attempt to limit its exposure.

154. As a direct and proximate result of Zurich's vexatious and unreasonable acts and practices, Corelle has sustained actual damages in an amount to be established at the time of trial. Corelle is entitled to reasonable attorneys' fees and costs pursuant to 215 ILCS 5/155.

WHEREFORE, Corelle prays for judgment as set forth in the Prayer for Relief below.

COUNT III

DECLARATORY JUDGMENT

155. Corelle realleges and incorporates by reference all preceding allegations as if fully stated herein.

156. Corelle contends that Zurich has a duty to pay for Corelle's losses caused by the risks of the Coronavirus pandemic, pursuant to the terms and conditions under multiple coverages of the Policy. Zurich disputes Corelle's contentions.

157. Corelle has complied with all the terms and conditions of the Policy, except to the extent its performance has been or is excused or waived by Zurich.

158. Corelle contends that the Policy provides coverage for its losses and that Zurich's coverage analysis to date is contrary to the Policy, the law, and public policy.

159. Corelle contends that the Policy must be interpreted in a reasonable manner to provide the coverage that the parties intended and understood was being provided, and that is in accord with Corelle's reasonable expectations. Corelle is informed and believes, and on that basis alleges, that Zurich disputes its contentions.

160. An actual and justiciable controversy exists between Corelle and Zurich concerning the matters alleged herein.

161. Corelle seeks a judicial declaration confirming: that Zurich's contentions as stated above are wrong, and that Corelle's contentions as stated above are correct; that Zurich must honor all duties under its Policy, including its duty to pay for the full amount of losses incurred as a result of the risks of the Coronavirus pandemic; and that because of Zurich's conduct, Corelle is excused from performing or complying with any conditions and duties otherwise imposed on Corelle by the Policy.

162. Declaratory relief by this Court will terminate some or all of the existing controversy between the parties.

163. Corelle seeks a declaration by this Court of the rights of Corelle and the obligations of Zurich under the contractual agreement to provide coverage for Corelle's losses.

WHEREFORE, Corelle prays for judgment as set forth in the Prayer for Relief below.

PRAYER FOR RELIEF

Corelle prays for judgment as follows:

- a. Judgment in its favor and against Zurich on all claims;
- b. Compensatory damages in connection with the claims asserted, together with expert witness fees and costs, as permitted by law, in an amount to be determined;
- c. Litigation costs and attorneys' fees pursuant to 215 ILCS 5/155, as well as any other applicable law;

- d. Pre-judgment interest, post-judgment interest, moratory interest, and any other interest as permitted by law;
- e. Declaratory Judgment as set forth in Count III above; and
- f. Such other and further relief as the Court deems proper.

DEMAND FOR JURY TRIAL

Corelle hereby demands a trial by jury on all issues so triable.

Dated: March 11, 2021

Respectfully submitted,

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