

WHEELER, DIULIO & BARNABEI, P.C.

BY: Jonathan Wheeler, Esquire
Attorney I.D. No.: 12649
One Penn Center - Suite 1270
1617 JFK Boulevard
Philadelphia, PA 19103
Phone: (215) 568-2900
Email: jwheeler@wdblegal.com



TAPS & BOURBON ON TERRACE, LLC
177 Markle Street
Philadelphia, PA 19127

vs

Those Certain
UNDERWRITERS AT LLOYDS, LONDON
500 Mamaroneck Avenue
Suite 320
Harrison, NY 10528

and

MAIN LINE INSURANCE OFFICES, INC.
23 Paoli Pike
P.O. 247
Paoli, PA 19301

COURT OF COMMON PLEAS
PHILADELPHIA COUNTY

JULY TERM, 2020

NO.

**JURY TRIAL DEMANDED
COMMERCE PROGRAM**

CIVIL ACTION COMPLAINT

NOTICE

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the Claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

PHILADELPHIA BAR ASSOCIATION
Lawyer Referral Service
1101 Market St., 11th Floor
Philadelphia, PA 19107-2911
Telephone: 215-238-6333
Fax: 215-238-1159

AVISO

Le han demandado a usted en la corte. Si usted quiere defenderse de estas demandas expuestas en las paginas siguientes, usted tiene veinte (20) dias de plazo al partir de la fecha de la demanda y la notificacion. Hace falta ascender una comparencia escrita o en persona o con un abogado y entregar a la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suya sin previo aviso o notificacion. Ademas, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

LLEVE ESTA DEMANDA A UN ABOGADO INMEDIATAMENTE. SI NO TIENE ABOGADO O SI NO TIENE EL DINERO SUFICIENTE DE PAGAR TAL SERVICIO. VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

ASOCIACION DE LICENCIADOS DE FILADELFA
Servicio De Referencia E Informacion Legal
1101 Market Street, 11th Floor
Filadelfia, Pennsylvania 19107
(215) 238-6333

WHEELER, DiULIO & BARNABEI, P.C.

BY: Jonathan Wheeler, Esquire

Attorney I.D. No.: 12649

One Penn Center - Suite 1270

1617 JFK Boulevard

Philadelphia, PA 19103

Phone: (215) 568-2900

Email: jwheeler@wdblegal.com

Attorney for Plaintiff(s)

TAPS & BOURBON ON TERRACE, LLC
177 MARKLE STREET
PHILADELPHIA, PA 19127

vs

THOSE CERTAIN
UNDERWRITERS AT LLOYDS, LONDON
500 MAMARONECK AVENUE
SUITE 320
HARRISON, NY 10528

and

MAIN LINE INSURANCE OFFICES, INC.
23 PAOLI PIKE
P.O. 247
PAOLI, PA 19301

COURT OF COMMON PLEAS
PHILADELPHIA COUNTY

JULY TERM, 2020

NO.

**JURY TRIAL DEMANDED
COMMERCE PROGRAM**

CIVIL ACTION COMPLAINT

Taps & Bourbon on Terrace, LLC (Hereafter "Taps & Bourbon"), by their attorneys, Wheeler, DiUlio & Barnabei, P.C., file this Complaint against Those certain Underwriters at Lloyds, London ("Lloyds") and Main Line Insurance Offices, Inc ("Main Line") as follows:

THE PARTIES:

1. Taps & Bourbon is a limited liability company duly created under and pursuant to

the laws of the Commonwealth of Pennsylvania which maintain its principal place of business at the address set forth above.

2. Lloyds is an unincorporated syndicate of Underwriters #1991 which is licensed to issue surplus policies of insurance in the Commonwealth of Pennsylvania which maintains its principal place of business for that purpose at the address set forth above. Lloyds regularly conducts business and issues policies of insurance in the City and County of Philadelphia.

3. At all times material hereto, Lloyds was acting by and through its duly authorized agents, servants, workmen or employees, including, but not limited to Triton Claim Management LLC ("Triton") and its representatives Mark Lobel ("Lobel") and John J. Fleming, III ("Fleming") who acted at all times material hereto within their authority as authorized representatives of Lloyds.

4. Main Line is a corporate entity duly organized and existing under the laws of the Commonwealth of Pennsylvania which is licensed to issue policies of insurance and maintains its principal place of business for that purpose at the address set forth above. Main Line regularly issues policies of insurance and conducts business in the City of Philadelphia.

5. At all times material hereto, Main Line was acting by and through its duly authorized agents, servants, workmen or employees who acted at all times material hereto within their authority as authorized representatives of Main Line.

JURISDICTION AND VENUE

6. Jurisdiction and venue are properly laid in the Court of Common Pleas of Philadelphia, since both Lloyds and Main Line regularly conduct business and issue policies of insurance in Philadelphia and material events giving rise to this action took place in Philadelphia.

This action is properly before the Commerce Court since the dispute arises from a commercial transaction between business entities.

THE POLICY

7. Policy No. DTW-ISC-2017-0061 issued by Lloyds through its agent, Main Line, provides coverage for the Restaurant Premises owned by Taps & Bourbon at 177 Markle Street, Philadelphia, PA 19127 (hereafter the “Premises”) under terms and conditions set forth in language copy-written by the Insurance Services Office, Inc. (“ISO”) which provides standard forms for insurance companies including Lloyds. A true and correct copy of the Declarations page for the policy identifying its insuring provisions is attached hereto and incorporated herein as Exhibit 1.

8. In consideration for the premium paid, the policy provides coverage for Business Interruption and Extra Expense in the amount of \$100,000 subject to a 1/6 monthly limit of \$ 16,666.66.

9. The Policy includes ISO Form CP 00 10 06 07 which states:

“We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.”

10. The Policy includes ISO “Special” Cause of Loss form (CP 10 30 06 06 07) which states that:

“**COVERED CAUSE OF LOSS** “ ... means Risks of Direct Physical Loss unless the loss is: 1. Excluded in Section **B**, Exclusions; or 2. Limited in Section **C**, Limitations; that follow.”

11. The Policy includes ISO form Endorsement CP 01 40 07 06 which states:

“B. We will not pay for loss or damage caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.”

12. However, this Exclusion is removed from the Policy under the ISO **Restaurant and Platinum Enhancement Endorsement** (DTWCP-D000 10 (09/18) which states:

“With regard to this Additional Coverage, the **CAUSES OF LOSS-- SPECIAL FORM CP 10 30**, Paragraph **B. Exclusions** is amended to delete all of the exclusions except for the following: (list of Exclusions which does NOT include the Virus Exclusion).”

13. The Policy includes ISO Form CP 00 30 06 07 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM which states:

“ When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area not more than one mile from the damaged property; and
- (2) The action of the civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the

damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.”

14. The Policy includes ISO Form DTWCP-D00010 (09/18) which provides Coverage for Food Contamination which states:

1. Food Contamination

- a) If your business at the described premises is ordered closed by the Board of Health or any other governmental authority as a result of the discovery or suspicion of food contamination, we will pay:
 - 1) The actual loss of Business Income you sustain due to the necessary “suspension” of your “operations;”

STATEMENT OF FACTS:

15. In March 2020, the United States was struck with an insidious invisible disease identified as SARS-CoV-2 and COVID-19 (hereafter “Disease”) which caused an unprecedented Pandemic and afflicted millions of people, raising serious concerns among the general public as to its spread and containment.

16. On March 19, 2020, Pennsylvania Governor Tom Wolf issued an Executive Order closing all “businesses that are not life sustaining” effective March 21, 2020 based, in part on a declaration by the World Health Organization and the Centers for Disease Control and Prevention that the virus had created a “public health emergency of international concern” and had been declared by the U.S. Department of Health and Human Services Secretary to “create a public health emergency.” A true and Correct copy of this Executive Order is attached hereto and incorporated

herein as Exhibit 2.

17. In his Order, Governor Wolf declared a “disaster emergency throughout the Commonwealth of Pennsylvania” and ordered the closure of all “non-life sustaining businesses” for “...the prevention and suppression of disease.”

18. Pursuant to this Executive Order, Taps & Bourbon immediately closed the Restaurant Premises insured under the Lloyds Policy and ceased all business operations.

19. As a result of this closure Business Income from this location ceased and Taps & Bourbon has spent and incurred substantial Extra Expenses to maintain these premises to minimize the suspension of operations and continue business when possible. This includes periodic maintenance to disinfect these premises and clean surfaces potentially infected with the disease.

20. Claims for Business Income Loss and Extra Expense benefits under the Policy were submitted to Lloyds through its agent Main Line (Exhibit 3), which acknowledged receipt of the claims and assigned a date of loss for these claims as March 16, 2020 (Exhibit 4).

21. Thereafter, Taps & Bourbon has done and performed all things required under the terms of the Policy.

22. Despite Taps & Bourbon’s performance in accordance with the contract terms, Lloyds, through its representative, Fleming, sent correspondence dated June 2, 2020 denying Taps & Bourbon’s claims for Business Interruption and Extra Expense. A copy of this letter is attached hereto as Exhibits 5.

23. Fleming sent this letter denying coverage and benefits owed under the Policy without conducting any investigation whatsoever and in spite of the clear policy language granting coverage for these losses to Taps & Bourbon.

24. Fleming's letter misstates the "Covered Cause of Loss" set forth in the Policy and conflates the Ordinance or Law exclusion with the Civil Authority coverage as a pretext to deny coverage.

25. Fleming mistakenly attempts to invoke the Hazardous Materials exclusion as a pretext to deny coverage, despite the fact that it is clear that this exclusion does not appear as an excluded Cause of Loss in the ISO "Covered Cause of Loss" form and the disease identified as SARS-CoV-2 and COVID-19 does not meet the Policy's definition of "pollution."

26. Fleming's assertion that there has been no direct physical damage to insured property (even though this is not required under the "Causes of Loss" provision of the Policies) is plainly untrue since the pandemic has been declared to constitute a "Disaster Emergency" which has affected all property located in the Commonwealth of Pennsylvania, including the premises insured under the Lloyds Policy. This is especially true since the Cause of Loss under the Policy is "...Risk of Direct Physical Loss."

27. Fleming's assertion that the Policy does not cover the acts of Government authority to close Taps & Bourbon's businesses because of the pandemic causing "dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss" is plainly untrue since the "Disaster Emergency" is clearly set forth in Governor Wolf's Order as the cause of the closures.

28. Fleming's denial of Coverage completely ignores the **Restaurant and Platinum Enhancement Endorsement** (DTWCP-D000 10 (09/18) removes "Virus" as an exclusion to coverage under the Policy

29. As a direct result of Lloyds' denial of coverage and benefits, Taps & Bourbon has

suffered damages and losses in an amount in excess of the limits of the Lloyds Policy.

COUNT I
TAPS & BOURBON v. LLOYDS - BREACH OF CONTRACT AND DUTY OF GOOD
FAITH AND FAIR DEALING

30. Taps & Bourbon incorporates by reference herein the averments set forth above, as fully as those same were here set forth at length.

31. The Policy issued by Lloyds to Taps & Bourbon is a contract of adhesion and any ambiguity in its terms or doubts with regard to the application of coverage are to be resolved in favor of the policyholder and coverage granted in accordance with the reasonable expectations of the policyholder.

32. Taps & Bourbon reasonable believed and relied on the terms of the Policy to afford coverage and benefits in the event that the businesses were closed as a result of the damage to the premises and acts of civil authority in response to a disease pandemic such as occurred here.

33. Lloyds has breached its contract of insurance and violated its duty of good faith and fair dealing by denying coverage and benefits to Taps & Bourbon which are clearly owed under the terms of the Policies.

34. As the direct and foreseeable result of Lloyds' breach of contract and its duty of good faith and fair dealing, Taps & Bourbon have been deprived of the benefit of its bargained for benefits due and owing as a result of its covered loss, including, but not limited to Loss of Business Income, Extra Expenses and from its business operations. In addition, Taps & Bourbon has suffered other consequential damages by reason of damage to its business operations for an amount in excess of the coverage set forth in the Lloyds' Policy, including, but not limited to damage to its

business operations, reduction in the value, and profitability of its business operations and assets, a diminution of its cash reserves and credit standing, as well as its ability to exist in a competitive business environment.

WHEREFORE, Taps & Bourbon demands judgment against Lloyds for an amount in excess of \$50,000.00 together with interest, costs of suit, counsel fees and such other relief as the Court may deem equitable and just.

COUNT II
TAPS & BOURBON v LLOYDS - BAD FAITH VIOLATION OF 42 Pa §8371

35. Taps & Bourbon incorporate by reference herein the averments set forth above, as fully as those same were here set forth at length.

36. Lloyds has engaged in bad faith conduct with respect to its adjustment of Plaintiffs' covered loss, in violation of 42 Pa. C.S.A §8371 et seq.

37. In furtherance of its bad faith and wrongful denial and refusal to pay benefits for Taps & Bourbon's covered loss, Lloyds, acting by and through its duly authorized agents, servants, workmen or employees, including, but not limited to, Fleming, has engaged in the following conduct:

- a) by sending correspondence dated June 2, 2020, true and correct copie of which is attached hereto, made part hereof, and marked Exhibits 5 , falsely representing that Taps & Bourbon's losses, caused by perils insured against under the Policies were not entitled to benefits due and owing under the Policy;
- b) by refusing to reconsider and afford benefits and coverage under the Policies despite the inaccuracy of its position and persisting in its refusal to afford coverage and pay benefits which it knew were due and owing;

- c) in failing to complete a prompt and thorough investigation of Taps & Bourbon's claim before representing that such a claim is not covered under the Policy;
- d) in failing to pay Taps & Bourbon's covered loss in a prompt and timely manner;
- e) in failing to objectively and fairly evaluate Taps & Bourbon's claim;
- f) in asserting policy defenses without a reasonable basis in fact;
- g) in flatly misrepresenting pertinent facts or policy provisions relating to coverages at issue and placing unduly restrictive interpretations on the Policy and/or claim forms;
- h) in unreasonably withholding policy benefits;
- i) in acting unreasonably and unfairly in response to Taps & Bourbon's claim;
- j) in unnecessarily and unreasonably compelling Taps & Bourbon to institute this lawsuit to obtain policy benefits for a covered loss, that Lloyds should have paid promptly and without the necessity of litigation.

38. As the direct and proximate result of Lloyds' Bad Faith misconduct, as aforesaid, Taps & Bourbon has been required to retain counsel and incur the costs of this lawsuit.

39. For the reasons set forth above, Lloyds' Bad Faith actions in violation of 42 Pa. C.S.A. §8371, have rendered Lloyds liable for statutory damages including interest from the date the claim was made in an amount equal to the prime rate of interest plus three percent, court costs, attorney's fees, punitive damages, and such other compensatory and/or consequential damages as are permitted by law.

WHEREFORE, Taps & Bourbon demand judgment against Lloyds for an amount in excess of \$50,000.00 together with interest, costs of suit, counsel fees, punitive damages and such

other relief as the Court may deem equitable and just.

COUNT III
FEGLEY v MAIN LINE - NEGLIGENT BREACH OF CONTRACT

40. Taps & Bourbon incorporate by reference herein the averments set forth in the preceding paragraphs of this Complaint as fully as those same were here set forth at length.

41. Main Line has served as Taps & Bourbon's insurance agent, broker and consultant and, by virtue of this relationship, is intimately familiar with Taps & Bourbon's business operations and insurance needs.

42. By reason of Main Line's role as the insurance agent, broker and consultant for Taps & Bourbon and its familiarity with its business operations and insurance needs, a special relationship existed between Taps & Bourbon and Main Line and Main Line knew that Taps & Bourbon trusted and relied on it to provide the necessary insurance coverage against all reasonably anticipated risks of loss.

43. By reason of its background and experience as insurance agent and consultant for Taps & Bourbon, Main Line knew, or in the exercise of reasonable care should have known, that diseases such as SARS-CoV-2 and COVID-19, created a grave risk of pandemic and resulting catastrophic losses to Taps & Bourbon's business operations as a result the risk of possible contamination of Taps & Bourbon's premises and the actions of civil authority to prevent, contain and suppress the disease..

44. Despite this knowledge, and the existence of available insurance coverage to specifically insure against risk of loss from a pandemic, Main Line failed to advise, assist and provide Taps & Bourbon with this necessary and available specific coverage.

45. If, as claimed by Lloyds, there is no coverage for the losses suffered by Taps & Bourbon as a result of this pandemic, Main Line's negligent failure to advise, assist and provide Taps & Bourbon with the necessary pandemic coverage is the direct and proximate cause of its losses and damages as set forth above.

46. Main Line promised, for a good and valuable consideration to advise, assist and procure for Taps & Bourbon insurance coverage for its business operations yet negligently failed to do so.

47. The direct, factual and proximate cause of Main Line's failure to obtain necessary insurance coverage for Taps & Bourbon's business operations was the carelessness and negligence of Main Line, acting through its employees and agents consisting as follows:

- a) in failing to advise Taps & Bourbon of the availability of pandemic insurance coverage for their business operations;
- b) in failing to procure the necessary insurance coverage to protect Taps & Bourbon's business operations from a reasonably anticipated risk of loss;
- c) in failing to advise Taps & Bourbon of its failure to obtain necessary insurance coverage for its business operations so that it could take the necessary steps to protect its business operations;
- d) in failing to warn and advise Taps & Bourbon that in the event of a pandemic, which caused closure of its business operations, there was a likelihood that Lloyds would deny coverage which would necessitate retaining counsel to enforce the terms of the contract with resulting expense and delay in the payment of benefits;
- e) in failing to advise, assist and counsel Taps & Bourbon to obtain necessary insurance coverage in accordance with the prevailing

standard of care for insurance agents and brokers.

- f) in obtaining a Policy of insurance for Taps & Bourbon which included a Exclusion for Virus which it knew was a reasonably likely risk of loss;
- g) In failing to advise Taps & Bourbon of the Virus exclusion in its policy; the effect this could have on the benefit payable in the event of loss; and the availability of insurance coverage without a virus exclusion.

48. As the direct, factual and proximate result of Main Line's failure to perform its duties as insurance agent, broker and consultant for Taps & Bourbon, Plaintiff has suffered a loss of insurance benefits for Business Interruption, Extra Expense and loss of Rental Income; as well as consequential damage to its business operations, reduction in the value, and profitability of its business operations and assets, a diminution of its cash reserves and credit standing, as well as its ability to exist in a competitive business environment.

WHEREFORE, Taps & Bourbon demands judgment against Main Line for compensatory damages in an amount in excess of \$50,000.00 together with damages for delay and such other relief as the Court deems equitable and just.

WHEELER, DiULIO & BARNABEI, P.C.

BY: /s/ Jonathan Wheeler
JONATHAN WHEELER, ESQUIRE
Attorney for Plaintiff(s)

Civil Action Complaint

VERIFICATION

The undersigned hereby states that it is the Plaintiff in this action and that the statements of fact made in the foregoing document are true and correct to the best of his information and belief.

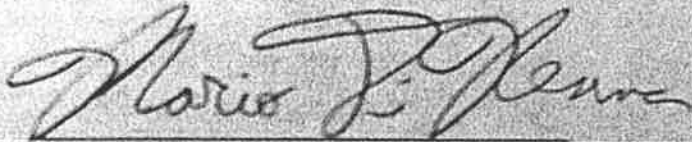
The undersigned understands that the statements herein are made subject to the penalties of 18 Pa. Cons.

Stat. Ann. 4904 relating to unsworn falsification to authorities.

DATE:

7/6/2020

TAPS & BOURBON ON TERRACE, LLC

A handwritten signature in cursive script, appearing to read "Mario DiNenna", written over a horizontal line.

By: MARIO DINENNA

EXHIBIT “1”

This Declaration Page is attached to and forms part of Policy provisions

Previous No. Authority Ref. No B6991ISC2017S01 Policy No. DTW-ISC-2017-0061

Affidavit / Surplus Lines #:

1. Name and address of the Insured
Taps & Bourbon on Terrace LLC

177 Markle St Philadelphia, PA 19127

DBA: Taps & Bourbon

The insurer which has issued this insurance is not licensed by the Pennsylvania Insurance Department and is subject to limited regulation. This insurance is NOT covered by the Pennsylvania Property and Casualty Insurance Guaranty Association.

2. Name and address of the Agent
Main Line Insurance Office Inc
23 Paoli Pike
PO Box 247
Paoli, PA 19301

3. Effective from 11/1/2019 to 11/1/2020 both days at 12:01 a.m. standard time at location of the risk.

4. This evidences that insurance has been placed with certain **UNDERWRITERS AT LLOYD'S, LONDON**. 100%

Syndicate #: 1991 Syndicate Name: DTW1991 (Coverys Managing Agency Ltd.) Risk Participation: 100%

5. Coverage:

LIABILITY PREMIUM	\$6,100
LIQUOR PREMIUM	\$ included
LIABILITY ENDORSEMENTS PREMIUM	\$200
PROPERTY PREMIUM	\$4,800
PROPERTY ENDORSEMENTS PREMIUM	\$1,000
TRIA PREMIUM	\$0
TOTAL PREMIUM	\$12,100
POLICY FEE	\$300.00
INSPECTION FEE	\$250.00
SURPLUS LINES TAXES	\$363.00
SURPLUS LINES STAMPING FEES	\$20.00
TOTAL POLICY COST	\$13,033.00

6. Forms attached hereto and special conditions:
See Schedule DTW-A00003 (01/17) – Schedule of Forms and Endorsements

7. Service of Suit may be made upon:
See DTW1991 Policy Provisions ISCPOLPROV12 17

8. In the event of a claim under the insurance described in this Policy, please notify the following:

See DTW1991 Policy Provisions ISCPOLPROV12 17

Dated at:

Sunday,
December 8,
2019

By Matt Grossberg
Correspondent – Matthew Grossberg
Insurance Strategies Consulting, LLC.
500 Mamaroneck Ave, Suite 320 Harrison, New York 10528
Telephone # 973-285-3263

Schedule of Forms And Endorsements

DTW-A00001	Commercial Lines Policy Common Policy Declarations
DTW-A00003	Schedule Of Forms And Endorsements
ISCPolProv12 17	ISCPolProv
IL 02 46 09 07	PENNSYLVANIA CHANGES – CANCELLATION AND NONRENEWAL
LMA 9073	Pennsylvania Surplus Lines Notice
IL 00 17 11 98	COMMON POLICY CONDITIONS
LMADTW-001	MOLD EXCLUSION ENDORSEMENT
CG 21 49 09 99	TOTAL POLLUTION EXCLUSION ENDORSEMENT
DTWGL-B00001	Supplemental Declarations Commercial General Liability
IL 00 21 09 08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
CG 00 01 04 13	COMMERCIAL GENERAL LIABILITY COVERAGE FORM
DTWGL-B00003	CLASSIFICATION LIMITATION
DTWGL-B00004	EXCLUSION – PUNITIVE OR EXEMPLARY DAMAGES
DTWGL-B00006	EXCLUSION – INJURY TO PERFORMERS AND ENTERTAINERS
DTWGL-B00007	CROSS SUITS ENDORSEMENT
DTWGL-B00008	EXCLUSION OF NUCLEAR, BIOLOGICAL AND CHEMICAL INJURY OR DAMAGE
DTWGL-B00009	COMMERCIAL GENERAL LIABILITY AMENDATORY ENDORSEMENT
CG 00 68 05 09	RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION
CG 21 32 05 09	COMMUNICABLE DISEASE EXCLUSION
CG 21 36 03 05	EXCLUSION - NEW ENTITIES
CG 21 39 10 93	CONTRACTUAL LIABILITY LIMITATION
CG 21 44 07 98	LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT
CG 21 47 12 07	EMPLOYMENT-RELATED PRACTICESEXCLUSION
CG 21 65 12 04	TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION
CG 21 67 12 04	FUNGI OR BACTERIA EXCLUSION
CG 21 75 01 15	EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITEDSTATES
CG 24 07 01 96	PRODUCTS/COMPLETED OPERATIONS HAZARD REDEFINED
DTWGL-B00010	EXCLUSION – SECURITY SERVICES PROVIDED BY OTHERS
DTWGL-B00011	EXCLUSION – VALET PARKING
DTWGL-B00012	EXCLUSION – TOTAL FIREWORKS/PYROTECHNICS
DTWGL-B00014	EXCLUSION – CANINE
DTWGL-B00015	SEXUAL ABUSE AND/OR MISCONDUCT EXCLUSION
DTWGL-B00016	ANTI-STACKING ENDORSEMENT

DTWGL-A00003 01/17

DTWGL-B00017	EXCLUSION – WORKER INJURY
DTWGL-B00018	EXCLUSION – INDEPENDENT CONTRACTORS
DTWGL-B00019	FIELD OF ENTERTAINMENT-LIMITATION OF COVERAGE
DTWGL-B00020	EXCLUSION – MECHANICAL RIDES, SLIDES, ATHLETIC EVENTS AND COMPETITION(S)
DTWGL-B01345	AMUSEMENT DEVICES EXCLUSION
DTWGL-B01148	BINDING ARBITRATION
DTWGL-B00022	EXCLUSION – DISCRIMINATION
DTWGL-B00024	HAZARDOUS MATERIALS EXCLUSION
DTWGL-B00025	PREMIUM BASIS ENDORSEMENT
DTWGL-B00037	EXCLUSION – STUNT ACTIVITY
DTWGL-B00026	CONTRACTOR OR SUBCONTRACTOR LIMITATION
DTWGL-B01328	DESIGNATED PROMOTIONS EXCLUSION
DTWGL-B00040	Assault and Battery Coverage Limitation (Including Sub-Limits)
DTWGL-C00001	Supplemental Declarations Liquor Liability
CG 00 33 12 07	LIQUOR LIABILITY COVERAGE FORM
DTWGL-C00002	LIMITATION OF COVERAGE TO INSURED PREMISES
DTWCP-D00001	Supplemental Declarations Commercial Property
CP 00 10 06 07	BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CP 00 90 07 88	COMMERCIAL PROPERTY CONDITIONS
CP 03 21 10 12	WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE
DTWGL-B00101	EXCLUSION - FIREARMS
CP 01 40 07 06	EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA
DTWCP-D00010	RESTAURANT PLATINUM ENHANCEMENT ENDORSEMENT
CP 10 30 06 07	CAUSES OF LOSS – SPECIAL FORM
IL 09 35 07 02	EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES
IL 09 53 01 15	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
DTWCP-D00002	HAZARDOUS MATERIALS EXCLUSION
CP 00 30 06 07	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
DTWCP-D00008	Protective Safeguards
LMA5219	TRIA not purchased clause

SUPPLEMENTAL DECLARATIONS

Commercial General Liability

LIMITS OF INSURANCE						
General Aggregate Limit (Other Than Products-Completed Operations) \$2,000,000.00						
Products-Completed Operations Occurrence Limit \$1,000,000.00						
Products-Completed Operations Aggregate Limit \$2,000,000						
Personal and Advertising Injury Limit \$1,000,000						
Each Occurrence Limit \$1,000,000						
Damage to Premise Rented to You \$250,000.00 Any One Fire						
Medical Payments \$5,000.00						
(See Policy Endorsements For Applicable Sub-Limits)						
BUSINESS DESCRIPTION AND LOCATION OF PREMISES						
Form of Business:						
Restaurant						
Business Description:						
Location of All Premises You Own, Rent, or Occupy:						
Prem. No.	Bldg. No.	Location Address	City	State	Zip	
1	1	177 Markle St	Philadelphia	PA	19127	
See DTW-A00005 (12/16) if Applicable.						
PREMIUM						
Location No.	Classification	Class Code	Premium Basis	Exposure Value	Rate	Premium
1	Restaurants— with Sale of Alcoholic Beverages that are 30% or More of But Less Than 75% of the Total Annual Receipts of the Restaurants— without Dance Floor	16916	Gross Receipts	600,000	\$9.50	\$5,700.00
1	Contractual Liability	NA	Flat Charge	1	\$200.00	\$200.00
1	Apartment Buildings	60010	Units	2	\$200.00	\$400.00
Total Premium: \$6,300						

SUPPLEMENTAL DECLARATIONS**LIQUOR LIABILITY****Limits of Insurance**

Each Common Cause Limit \$1,000,000

Aggregate Limit \$ 2,000,000

(See Policy Endorsements For Applicable Sub-Limits)**Description of Business**

Form of Business:

Restaurant Bar Tavern

Business Description:

Location Number	Address of All Premises You Own, Rent, or Occupy	Premium Base
1	177 Markle St	Included in DTWGL-B0001

Total Premium: Included in CGL premium see form DTWGL-B0001

Endorsements

See Form DTW-A00002 (01/17) – Schedule of Forms and Endorsements

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY
ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

Certain Underwriters at Lloyd's, London

SUPPLEMENTAL DECLARATIONS**Commercial Property****BUSINESS DESCRIPTION:****DESCRIPTION OF PREMISES**

Prem. No.	Bldg. No.	Location Address	City	State	Zip
1	1	177 Markle St	Philadelphia	PA	19127

COVERAGES PROVIDED – Insurance at the described premises applies only for the Coverages for which limit of insurance is shown.

Prem. No	Bldg. No.	Coverage	Limits of Insurance	Premium	Cause of Loss	Coins.	Monthly Limit	*Deductible	**Valuation
1	1	Building value	\$1,000,000	\$4,000	See Form CP 10 30	90		\$2,500	RC
		Tenants I & B		\$0	See Form CP 10 30	90		\$2,500	RC
		BI Value	\$100,000	\$400	See Form CP 10 30		1/6	72 hrs.	RC
		Loss of Rents		\$0	See Form CP 10 30		1/6	72 hrs.	RC
		Content Value	\$100,000	\$400	See Form CP 10 30	90		\$2,500	RC
		Other Structural Value		\$0	See Form CP 10 30	90		\$0	RC
		Ordinance & Law Coverage A & Premium Charge	\$0	\$0					
		Ordinance & Law Coverage B	\$0						
		Ordinance & Law Coverage C	\$0						

* See Applicable Endorsements

** RC = Replacement Cost; AC = Actual Cash Value;
 BPP = Business Personal Property; I&B = Improvements & Betterments

FORMS AND ENDORSEMENTS – Made part of this Coverage Part at time of issue. See Form DTW-A00002 (01/17) – Schedule of Forms and Endorsements

TOTAL PREMIUM FOR THIS COVERAGE: \$4,800

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

DTWCP-D00001 (01/17)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROTECTIVE SAFEGUARDS

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE*

Prem. No.	Bldg. No.	Protective Symbols	Safeguards Applicable
Describe any "P-9": U.L. approved automatic extinguishing system under semi-annual contract			
* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.			

A. The following is added to the:

Commercial Property Conditions
General Conditions in the

PROTECTIVE SAFEGUARDS

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the Schedule above.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

"P-1" Automatic Sprinkler System, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
 - (1) Sprinklers and discharge nozzles;
 - (2) Ducts, pipes, valves and fittings;

(3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

"P-2" Automatic Fire Alarm, protecting the entire building, that is:

a. Connected to a central station; or

b. Reporting to a public or private fire alarm station.

"P-3" Security Service, with a recording system or watch clock, making hourly rounds covering the entire building, when the premises are not in actual operation.

"P-4 Service Contract with a privately owned fire department providing fire protection service to the described premises.

"P-9" The protective system described in the Schedule.

EXHIBIT “2”



ORDER OF

THE GOVERNOR OF THE COMMONWEALTH OF PENNSYLVANIA REGARDING THE CLOSURE OF ALL BUSINESSES THAT ARE NOT LIFE SUSTAINING

WHEREAS, the World Health Organization and the Centers for Disease Control and Prevention ("CDC") have declared a novel coronavirus ("COVID-19") a "public health emergency of international concern," and the U.S. Department of Health and Human Services ("HHS") Secretary has declared that COVID-19 creates a public health emergency; and

WHEREAS, as of March 6, 2020, I proclaimed the existence of a disaster emergency throughout the Commonwealth pursuant to 35 Pa. C.S. § 7301(c); and

WHEREAS, I am charged with the responsibility to address dangers facing the Commonwealth of Pennsylvania that result from disasters. 35 Pa. C.S. § 7301(a); and

WHEREAS, in addition to general powers, during a disaster emergency I am authorized specifically to control ingress and egress to and from a disaster area and the movement of persons within it and the occupancy of premises therein; and suspend or limit the sale, dispensing, or transportation of alcoholic beverages, firearms, and combustibles. 35 Pa. C.S. § 7301(f); and

WHEREAS, in executing the extraordinary powers outlined above, I am further authorized during a disaster emergency to issue, amend and rescind executive orders, proclamations and regulations and those directives shall have the force and effect of law. 35 Pa. C.S. § 7301(b); and

WHEREAS, in addition to my authority, my Secretary of Health has the authority to determine and employ the most efficient and practical means for the prevention and suppression of disease. 71 P.S. § 532(a), 71 P.S. 1403(a); and

WHEREAS, these means include isolation, quarantine, and any other control measure needed. 35 P.S. § 521.5.

NOW THEREFORE, pursuant to the authority vested in me and my Administration by the laws of the Commonwealth of Pennsylvania, I do hereby ORDER and PROCLAIM as follows:

Section 1: Prohibition on Operation of Businesses that are not Life Sustaining

All prior orders and guidance regarding business closures are hereby superseded.

No person or entity shall operate a place of business in the Commonwealth that is not a life sustaining business regardless of whether the business is open to members of the public. This prohibition does not apply to virtual or telework operations (e.g., work from home), so long as social distancing and other mitigation measures are followed in such operations.

Life sustaining businesses may remain open, but they must follow, at a minimum, the social distancing practices and other mitigation measures defined by the Centers for Disease Control to protect workers and patrons. A list of life sustaining businesses that may remain open is attached to and incorporated into this Order.

Enforcement actions will be taken against non-life sustaining businesses that are out of compliance effective March 21, 2020, at 12:01 a.m.

Section 2: Prohibition on Dine-In Facilities including Restaurants and Bars

All restaurants and bars previously have been ordered to close their dine-in facilities to help stop the spread of COVID-19.

Businesses that offer carry-out, delivery, and drive-through food and beverage service may continue, so long as social distancing and other mitigation measures are employed to protect workers and patrons. Enforcement actions will be taken against businesses that are out of compliance effective March 19, 2020, at 8 p.m.

Section 3: Effective Date and Duration

This order is effective immediately and will remain in effect until further notice.



GIVEN under my hand and the Seal of the Governor, at the city of Harrisburg, on this nineteenth day of March two thousand twenty, the year of the commonwealth the two hundred and forty-fourth.

Tom Wolf
TOM WOLF
Governor

EXHIBIT “3”

REMARKS (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Applicable in Alabama: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines, or confinement in prison, or any combination thereof.

Applicable in Alaska: A person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete, or misleading information may be prosecuted under state law.

Applicable in Arizona: For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

Applicable in Arkansas: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Applicable in California: For your protection California law requires the following to appear on this form. Any person who knowingly presents false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Applicable in Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable for insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in Delaware: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

Applicable in the District of Columbia: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

Applicable in Florida: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Applicable in Hawaii: Any person who intentionally or knowingly misrepresents or conceals material facts, opinions, intention, or law to obtain or attempt to obtain coverage, benefits, recovery, or compensation commits the offense of insurance fraud which is a crime punishable by fines or imprisonment or both.

Applicable in Idaho: Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement containing any false, incomplete or misleading information is guilty of a felony.

Applicable in Indiana: A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

Applicable in Kansas: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

Applicable in Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files a statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Applicable in Louisiana: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Applicable in Maine: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits.

Applicable in Maryland: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Applicable in Michigan: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Applicable in Minnesota: A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

Applicable in Nevada: Pursuant to NRS 686A.291, any person who knowingly and willfully files a statement of claim that contains any false, incomplete or misleading information concerning a material fact is guilty of a category D felony.

Applicable in New Hampshire: Any person who, with a purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud as provided in RSA 638:20.

Applicable in New Jersey: Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

Applicable in New Mexico: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

Applicable in New York: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Applicable in Ohio: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Applicable in Oklahoma: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Applicable in Oregon: Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Applicable in Pennsylvania: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Applicable in Puerto Rico: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

Applicable in Rhode Island: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Applicable in Tennessee: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Applicable in Texas: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Applicable in Virginia: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Applicable in Washington: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Applicable in West Virginia: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

CONTACT NAMES

Name	Responsibility	Phone Number
Mario Dinenna	Claim Contact	(610)396-7048

EXHIBIT “4”



INSURED ACKNOWLEDGEMENT LETTER

May 04, 2020

Email: realeststatelogistics@hotmail.com

Taps & Bourbon on Terrace LLC
Attn: Mario Dinenna
177 Markle Street
Philadelphia, PA 19127

CENTRALIZED MAIL ADDRESS:
P.O. Box 527
Alpharetta, Georgia 30009-0527

CENTRALIZED EMAIL:
claims@tritonclaims.com

Re:	Claim Number	:	DTW120014
	Carrier	:	DTW1991 Syndicate
	Policy Number	:	DTW-ISC-2017-0061
	Insured	:	Taps & Bourbon on Terrace LLC
	Date of Loss	:	03/16/2020

Dear Mario Dinenna,

This letter will acknowledge receipt of your notification regarding the above referenced claim.

If you have any questions, or any further claim information, please do not hesitate to contact us.

Please refer to our claim number assigned above in all calls and correspondence.

Thank you for your cooperation.

Cordially yours,

Triton Claim Management, LLC

Mark Lobel
Direct #: (561) 718-3866
E-mail: mlobel@tritonclaims.com

Cc: Main Line Insurance Office Inc.
Attn: Frank Root
Email: froot@mainlineinsurance.com

Please Note: In order to keep our staff safe during the COVID-19 crisis and further to comply with various orders or suggestions from governmental authorities as to remaining closed during that time, Triton Claim Management, LLC has closed all of our offices. Because all staff are working remotely, we expect to send all documents via e-mail until further notice. Regular mail and other deliveries may be delayed during this time; accordingly, please e-mail copies of anything you send by regular mail or by overnight or other delivery. Kindly send all documents in your matter or case to the e-mail addresses for any of the Triton Claim Management, LLC employees who have communicated with you by e-mail. We appreciate your cooperation in this regard. All general inquiries may be emailed to: claims@tritonclaims.com. Stay safe!

EXHIBIT “5”



DECLINATION OF COVERAGE

June 2, 2020

VIA EMAIL TO: realestatelogistics@hotmail.com
VIA: 1ST CLASS MAIL & USPS PRIORITY MAIL
WITH TRACKING #:

CENTRALIZED MAIL ADDRESS:
P.O. Box 527
Alpharetta, Georgia 30009-0527

CENTRALIZED EMAIL:
claims@tritonclaims.com

Taps and Bourbon on Terrace, LLC d/b/a "Taps and Bourbon"
177 Markle Street
Philadelphia, Pennsylvania 19172

For the attention of: Robert Spohn, Member

Re:	Claim #:	DTWI20014
	Underwriters:	DTW1991 Syndicate @ Lloyd's, London
	Insured:	Taps and Bourbon on Terrace LLC d/b/a <u>"Taps and Bourbon"</u>
	Policy #:	DTW-ISC-2017-0061
	Date of Loss:	March 16, 2020
	Loss Location:	177 Markle St., Philadelphia, Pennsylvania

Dear Mr. Spohn:

At the direction of DTW1991 Syndicate @ Lloyd's, London ("Underwriters"), we are writing on behalf of Underwriters with respect to an insurance claim submitted by Taps and Bourbon on Terrace LLC in connection with the recent outbreak of coronavirus/COVID-19. Underwriters understands that Taps and Bourbon on Terrace LLC is seeking coverage for the impact on business during the period of time the insured location is affected by an order of civil authority issued in connection with the recent outbreak of the COVID-19 virus and Coronavirus Pandemic caused unsafe outside conditions which led the Governor of Pennsylvania to order people to shelter in place and businesses to either change the way they do business or to close causing significant business loss.

Underwriters has reviewed the claim presented in conjunction with the terms of the Policy. Based on the information provided and supplemental information provided by a preliminary survey, Underwriters has concluded that the Policy does not provide coverage for the loss of revenue associated with the civil authority closure of Taps and Bourbon on Terrace LLC.

Underwriters issued Commercial Property Policy No. DTW-ISC-2017 -0061 to Taps and Bourbon on Terrace LLC, effective November 1, 2019 to November 1, 2020 ("Policy"). The insuring agreement of the Business Income (And Extra Expense) Coverage Form (CP 00 30 06 07) provides:

A. "COVERAGE

We will pay for the actual loss of "business income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at a "premises" at which a Limit of Insurance is shown on the Declarations for Business income. The loss or damage must be directly caused by a "covered cause of loss". We will not pay more than the applicable Limit of Insurance shown on the Declarations for Business Income at that "premises"; . . ."

As a preliminary matter, there does not appear to be any claim for direct physical loss of or damage to property at Taps and Bourbon on Terrace LLC premises. In any event, the presence of the COVID-19 virus does not constitute "direct physical loss or damage" to property.

Moreover, the Policy excludes coverage for loss or damage caused by viruses as set forth in the Exclusion of Loss Due to Virus or Bacteria Endorsement (CP 01 40 07 06):

"EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY**

- A. The exclusion set forth in Paragraph B. applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B. We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy; . "

As set forth above there is no coverage for any loss or damage claimed as the result of "any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease." As the COVID-19 virus is the cause of the Taps and Bourbon on Terrace LLC 's claim for loss of business income, there is no coverage under the Policy.

The Policy also contains an exclusion for loss or damage caused by Hazardous Materials. DTWCP-D00002 (01/17) provides as follows:

"We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Hazardous Materials

- (1) The actual, alleged or threatened discharge, dispersal, seepage, migration, installation, use, release or escape of "hazardous materials" at any time.
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "hazardous materials"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "hazardous materials".

This exclusion applies whether or not such "hazardous material(s)" has any function in your business, operations, premises, site or location; . . ."

The Policy defines "Hazardous materials" to mean "pollutants", and materials that are radioactive, corrosive, oxidizers, asphyxiants, biohazardous, toxic, pathogen or allergen substances and organisms, lead, asbestos, silica and materials containing them.

Since the COVID-19 virus is a pathogenic organism within the definition of "hazardous materials," the policy covers neither loss or damage caused directly or indirectly by either the COVID-19 virus itself, nor loss or damage caused by any request, demand, order or statutory or regulatory requirement Taps and Bourbon on Terrace LLC clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, the COVID-19 virus.

The Policy also contains an exclusion for loss or damage caused by the enforcement of or compliance with any ordinance or law that regulates the use of property (CP 10 30 06 07) (Page 1 of 10) as follows:

a. "Ordinance Or Law

- (1) The enforcement of or compliance with any ordinance or law:
 - (a) Regulating the construction, use or repair of any property; or
 - (b) Regulating the tearing down of any property, including the cost of removing its debris.
- (2) This exclusion, Ordinance Or Law, applies whether the loss results from:
 - (a) An ordinance or law that is enforced even if the property has not been damaged; or
 - (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property or removal of its debris, following a physical loss to that property; . . ."

As Taps and Bourbon on Terrace LLC's claim for loss of business income is due to the enforcement of or compliance with a law or ordinance regulating the use of property, there is also no coverage under the Policy.

We understand Taps and Bourbon on Terrace LLC is also seeking coverage under the Civil Authority provision, which is set forth in Section 5. Additional Coverages of the Business Income (And Extra Expense) Coverage form (CP 00 30 06 07) (Page 2 of 9) as follows:

"5. Additional Coverages

a. Civil Authority

In this Additional Coverage, Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property;

and

- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property; . . ."

We note in order for coverage to apply under the Civil Authority Additional Coverage there must be an action of civil authority that prohibits access to the described premises because of "damage to property" by a Covered Cause of Loss. Moreover, the action of civil authority must prohibit access to the described premises due to property damage occurring not more than one mile from the described premises.

The presence of the COVID-19 virus does not constitute "damage to property" and, in any event, it does not appear that the order of civil authority affecting Taps and Bourbon on Terrace LLC resulted from any "damage to property" within the distance limit of one mile from the described premises. Significantly, as addressed above, the presence of the COVID-19 virus is excluded as a cause of loss; accordingly, the order of civil authority affecting Taps and Bourbon on Terrace LLC does not result from a covered cause of loss.

Underwriters also understands that the Insured is making a claim for food and/or beverage spoilage due to the recent outbreak the COVID-19 virus. It is reported prepped food, produce, dairy and baked goods were lost due to expiration as the result of the mandated closure.

Underwriters has reviewed the potential claim presented in conjunction with the terms of the Policy. Based on the information provided, Underwriters has concluded the Policy does not provide coverage for the spoilage claim associated with the outbreak of COVID-19 for the following reasons.

The Policy's **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** (CP 00 10 06 07) insuring agreement provides coverage for "direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss."

The Policy's **CAUSES OF LOSS – SPECIAL FORM** (CP 10 30 06 07) (Page 1 of 10) defines "Covered Causes of Loss" as "direct physical loss unless the loss is excluded or limited in this policy." Underwriters notes, that the Policy excludes certain causes of loss including those discussed below.

As noted above, the Policy contains an Exclusion for Loss Due to Virus or Bacteria Endorsement (CP 01 40 07 06). This provision excludes coverage for any loss or damage claimed as the result of "any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease." As the COVID-19 virus is the cause of the Insured's claim for food and/or beverage spoilage, there is no coverage under the Policy.

The Policy's Ordinance Or Law Exclusion (CP 10 30 06 07) cited above also applies to exclude coverage for the Insured's claim for food and/or beverage spoilage because the spoilage claim was caused by the "enforcement of or compliance with any ordinance or law" that "regulates the construction, use or repair of any property." Notably, the Ordinance Or Law Exclusion applies to bar coverage "regardless of any other cause or event that contributes concurrently or in any sequence to the loss."

The Policy's "Definitions" defines "Fungus" as "any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi." Also, this "Fungus" exclusion is modified by the above-cited Exclusion of Loss Due to Virus of Bacteria (CP 01 40 07 06) to remove reference to the term "bacteria" as follows:

D. "The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:

1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
2. Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage; .

As the spoilage of the food and/or beverage products is also caused directly or indirectly by the "presence, growth, proliferation, spread or any activity" of any fungus, including mold or mildew, or rot, there is no coverage under the Policy. Moreover, all loss or damage caused by fungus, mold or mildew, or rot is excluded "regardless of any other cause or event that contributes concurrently or in any sequence to the loss."

For the foregoing reasons, Underwriters has concluded that the Policy does not provide coverage for the claimed loss of revenue or any extra expenses resulting from the order of civil authority affecting your business, or for the claim for food and/or beverage spoilage. If you have any other information bearing on this loss that you would like Underwriters to consider, please forward it to us at your earliest convenience and it will be reviewed without prejudice to the parties' respective rights. Moreover, if you have any questions concerning this letter and Underwriters position as set forth above, we will be pleased to discuss them with you.

We also direct your attention to the Commercial Property Conditions Section of the Policy (CP 00 90 07 88), which provides that any action against the insurer must be commenced within 2 years after the date on which the direct physical loss or damage occurred.

RIGHT TO REVIEW

If you believe your claim is wrongfully denied or are aggrieved by our decision, you have the right to a review by the Pennsylvania Department of Insurance, Consumer Services, Philadelphia Regional Office, Room 1701, State Office Building, 1400 Spring Garden Street, Philadelphia, Pennsylvania 19130, P: 215/560-2630, F: 215/560-2648.

Please be advised that this letter should not be considered a waiver or variance of any of the Policy's terms or conditions. Additionally, this letter in no way restricts or limits Underwriters from relying upon and asserting any other facts or grounds that are or may become available to it. All rights are reserved.

If you have any additional information, documentation, or other proofs, please submit for Underwriters' further consideration.

Waiving no rights or defenses of Underwriters, we remain,

Very Truly Yours,
For and on behalf of:
DTW Syndicate 1991 @ Lloyd's, London
By, **Triton Claim Management, LLC**

John J. Fleming, III
As Authorized Representative
Phone #: (800) 537-8023 x 6909
DID #: (678) 728-6909
E-mail: claims@tritonclaims.com

cc: **VIA EMAIL TO: froot@mainlineinsurance.com**
Main Line Insurance Office, Inc.
For the attention of: Frank Root

VIA EMAIL TO: jwheeler@wdlegal.com
For the attention of: Jonathan Wheeler, Esq.

DTW20014 Declination of Coverage 02 June 2020

Please Note: In order to keep our staff safe during the COVID-19 crisis and further to comply with various orders or suggestions from governmental authorities as to remaining closed during that time, Triton Claim Management, LLC has closed all of our offices. Because all staff are working remotely, we expect to send all documents via e-mail until further notice. Regular mail and other deliveries maybe delayed during this time; accordingly, please e-mail copies of anything you send by regular mail or by overnight or other delivery. Kindly send all documents in your matter or case to the e-mail addresses for any of the Triton Claim Management, LLC employees who have communicated with you by e-mail. We appreciate your cooperation in this regard. All general inquiries may be emailed to: claims@tritonclaims.com. Stay safe!