

Assigned for all purposes to: Stanley Mosk Courthouse, Judicial Officer: Barbara Meiers

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**SUPERIOR COURT FOR THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES- CIVIL DIVISION**

GLOBAL GYPSY, INC.,  
Plaintiffs,

v.

ACE FIRE UNDERWRITERS  
INSURANCE COMPANY; and DOES  
1 TO 100,  
Defendants.

Case No.: 22STCV03508  
Assigned:  
Dept.:

**1. BREACH OF THE COVENANT OF GOOD  
FAITH AND FAIR DEALING IN CONTRACT  
2. BREACH OF THE COVENANT OF GOOD  
FAITH AND FAIR DEALING IN TORT  
3. BREACH OF CONTRACT**

Plaintiffs, GLOBAL GYPSY, INC., hereby alleges against Defendants ACE FIRE  
UNDERWRITERS INSURANCE COMPANY and Does 1 to 100, as follows:

1 FIRST CAUSE OF ACTION

2 **BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING IN**  
3 **CONTRACT**

4 (As against, **ACE FIRE UNDERWRITERS INSURANCE COMPANY**, hereafter  
5 referred to as "ACE "; and Does 1 to 100)

6 1. Plaintiff is and at all times mentioned herein, was an individual residing in the County of  
7 Orange, State of California.

8 2. Plaintiff is informed and believes and thereon alleges that Defendant ACE was at all times  
9 herein mentioned, doing business, form of organization Corporation, in the County of LOS  
10 ANGELES, State of California as duly licensed insurers doing business in the State of California.

11 3. Plaintiff is genuinely ignorant of the true names and capacities of Defendants, sued herein as  
12 Does 1 through 100, and therefore sues said Defendants by such fictitious names. Plaintiff will amend  
13 this Complaint to allege the true names and capacities when the same have been ascertained. Plaintiff  
14 is informed and believes and thereon alleges that each fictitiously named Defendant is responsible in  
15 some manner for the acts or omissions alleged herein and Plaintiff's injuries as herein alleged were  
16 proximately caused by those acts or omissions.

17 4. At all times herein mentioned, each of the Defendants was the agent, servant, contractor or  
18 employee, joint venture, alter ego, alternative entity, successor, predecessor or alter ego of each of the  
19 remaining Defendants, and in doing the things hereinafter alleged was acting within the course and  
20 scope of such agency or employment, and/or in the furtherance of a partnership, joint venture, co-  
21 conspiracy or under some other legal theory and for the benefit of each and every other defendant.

22 5. The conduct, acts, and omissions of Defendants, and each of them, as described in this  
23 complaint, was undertaken by Defendant ACE 'S officers or managing agents, identified as DOES 1  
24 to 100, who were responsible for claims operations, underwriting, communications, investigations,  
25 and decisions. The conduct of the managing agents and individuals was therefore undertaken on  
26 behalf of Defendant ACE. Further, Defendants, and each of them, had advance knowledge of the  
27 actions and conduct of those individuals, whose actions and conduct were ratified, authorized, and  
28 approved by managing agents and by other corporate officers, directors, or managing agents whose

1 precise identities are unknown to Plaintiff at this time. Plaintiff thus identifies and designates those  
2 individuals as DOES 1 to 100.

3 6. Defendant, ACE 'S corporate headquarters is located out of the State of California, but has  
4 agency offices in LOS ANGELES for selling policies of indemnity insurance and does sell such  
5 policies in and for vehicles and customers in LOS ANGELES, California, and is an out of state  
6 insurance company registered in California to do business.

7 7. Prior to March 13, 2020, GLOBAL GYPSY, INC. purchased an insurance policy bearing No.  
8 D94751032 for business insurance loss, for his business GLOBAL GYPSY, INC. located at 1048 S.  
9 LOS ANGELES, ST. LOS ANGELES, CA 90015. This policy included loss of business income, and  
10 each of them, including ACE , which policy was in effect on March 13, 2020, and had been in effect  
11 since the previous year and was renewed, and under which Plaintiff was an insured person.

12 8. Defendant, ACE , represented in the aforementioned contract of insurance that Defendants, and  
13 each of them, would provide compensation to an insured, including Plaintiff, in the event of a loss  
14 caused by a mandatory closure by order of a civil authority such as the events of the COVID-19  
15 Disaster of March 4, 2020 onward until the date of the writing of this complaint January 27, 2022.

16 9. On March 13, 2020, Plaintiff was ordered by the Office of The Governor of the State of  
17 California to shut down his establishment along with all indoor non-essential business specifically  
18 provided for in the March 4, 2020 state of emergency order Executive order N-25-20 (**EXHIBIT 1**)  
19 which as of the date of the writing of this complaint January 27, 2022 has gone through subsequent  
20 modifications but has been active state of emergency.

21 10. On or about April 2020, Plaintiff's attorney notified ACE by letter that the firm was  
22 representing GLOBAL GYPSY, INC. and provided true copies of documentation.

23 11. Under the Business insurance policy by Defendant ACE , The Special Property Coverage  
24 Form provides, as an additional coverage, loss of Business Income sustained when access to your  
25 "scheduled premises" is prohibited by order of civil authority. The policy provides the following:  
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1 I. Civil Authority

2 1. (1) This insurance is extended to apply to the actual loss of Business Income you sustain  
3 when access to your "scheduled premises" is specifically prohibited by order of a civil  
4 authority as the direct result of a Covered Cause of Loss to property in the immediate  
5 area of your "scheduled premises".

6 2. (2) The coverage for Business Income will begin 72 hours after the order of a civil  
7 authority and coverage will end at the earlier of:

8 (a) When access is permitted to your "scheduled premises"; or

9 (b) 30 consecutive days after the order of the civil authority.

10 12. Plaintiff GLOBAL GYPSY, INC. policy limits was \$5,000 and aggregate of \$2,000,000 for  
11 business income and extra expense as a result of a shutdown by a civil authority for 30 consecutive  
12 days. According to page 9 4(i.)(2) The coverage for Business Income will begin 72 hours after the  
13 order of a civil authority and coverage will end at the earlier of (a) when access is permitted to the  
14 scheduled premises or (b) 30 consecutive days after the order of the civil authority [has been lifted].  
15 Plaintiff GLOBAL GYPSY, INC. was entitled to business income loss coverage in the amount of  
16 \$5,000 and aggregate of \$2,000,000 per dependent property, Defendant ACE , never offered to cover  
17 any of the business income loss Plaintiff was entitled to under the policy, in fact when the Plaintiff  
18 made a claim for business income loss, the Defendant, ACE Policy (**EXHIBIT 2**) and said there  
19 was no coverage for the COVID-19 closure order of executive order N-25-20 issued by the civil  
20 authority on March 4. In bad faith ACE denied the very policy coverage to the Plaintiff, that was  
21 spelled out in the policy.

22 13. Plaintiff was forced to seek legal action to help him achieve the damages associated with the  
23 bad faith denial of business loss income under the insurance policy by Defendant ACE when they  
24 misrepresented the coverage in the policy. The Plaintiff incurred costs and expenses as a result of his  
25 efforts to prosecute this action and to remedy his losses by the material breach of the contract.

26 14. Defendants, and each of them, in derogation of their duty to their policy holder, the Plaintiff,  
27 refused to make a payment and unreasonably delayed payment to the insured causing business losses.

1 15. Had Defendants, and each of them, conducted a reasonable investigation of the claim,  
2 Defendants, and each of them, would have learned, *inter alia*, that Plaintiff was forced to close his  
3 business by order of a civil authority under Executive Order of the Governor of The State of  
4 California N-25-20 related to COVID-19 disaster; and for which compensation was due to Plaintiff  
5 for business income loss to the extent of policy limits. Instead Defendants, and each of them, did not  
6 ever make a reasonable offer after a valid demand, and delayed and procrastinated at every  
7 opportunity. These actions were intentional and were undertaken in an effort to discourage Plaintiff  
8 from pursuing his claim for damages in an attempt to deprive Plaintiff of the benefits due to him  
9 under his insurance policy.

10 16. Plaintiff is informed and believes and upon such information and belief alleges that Defendants,  
11 and each of them, in furtherance of their scheme to defraud and deprive Plaintiff of benefits under the  
12 insurance policy, set up defenses based on dubious and unqualified expertise and a general lack of  
13 business acumen and empathy or understanding.

14 17. The conduct of Defendants, and each of them, described in this complaint of deliberately and  
15 calculatingly failing to provide the compensation which they knew was due to Plaintiff, scheming to  
16 conspire and defraud Plaintiff, and committing actual fraud against Plaintiff, and further intentionally  
17 inflicting emotional distress upon Plaintiff, offering no settlement at all in light of compelling medical  
18 evidence supporting that Plaintiff was entitled to the full policy benefits, while well knowing their  
19 policy holder and insured was entitled to policy limits, constitutes malice and oppression under  
20 California Civil Code section 3294, in that it was done with the intent to vex, injure, or annoy and with  
21 conscious disregard of the Plaintiff's rights, and deliberately in bad faith, to deny him the benefits to  
22 which he was entitled under the policy. All the aforesaid acts were performed in an effort to discourage  
23 Plaintiff from seeking the compensation due to him at a time Defendants, and each of them, knew that  
24 the Plaintiff was financially vulnerable. Thus, Plaintiff is entitled to punitive and exemplary damages  
25 in an amount appropriate to punish and make an example of Defendants, and each of them.

26 18. Plaintiff has been required, in order to litigate his rights and prosecute this action, to retain  
27 attorneys and incur attorneys' fees and litigation expense in an amount to be proved.  
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1 19. All the aforesaid acts, omissions and representations were performed in an effort to discourage  
2 Plaintiff from seeking the compensation due to him at a time Defendants, and each of them, knew  
3 that the Plaintiff was financially vulnerable, and during his time of COVID-19 calamity. Plaintiff is  
4 entitled to punitive and exemplary damages pursuant to *Civil Code* section 3294 and other California  
5 law, in an amount appropriate to punish and make an example of Defendants, and each of them. The  
6 Defendant, ACE , is further liable for punitive damages based on the conduct of denying the claim  
7 business loss claim intentionally; which was a legitimate business income loss claim and covered  
8 under the policy provision for closures by civil authority on page 9 (4)(i)(1-2). This and other  
9 intentional actions by Defendant ACE were intentional, willful, wanton and unreasonable under the  
10 contractual obligations under the policy. Defendant ACE intentionally breached their obligations  
11 when they knew full well of EXECUTIVE ORDER N-25-20 and the COVID-19 PANDEMIC  
12 DISASTER and to deny the Plaintiff the full benefits under the policy was a scheme to unjustly  
13 enrich DEFENDANT ACE by unjustly breaching their contractual obligations knowing full well the  
14 civil authority provisions under the policy. The aforementioned conduct justifies punitive and  
15 exemplary damages to deter conduct according to proof at trial.

16 **SECOND CAUSE OF ACTION**

17 **BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING IN TORT**

18 (As against, **ACE FIRE UNDERWRITERS INSURANCE COMPANY**; and

19 Does 1 to 100)

20 20. Plaintiff hereby incorporates by reference all prior and subsequent paragraphs of this  
21 complaint as if set forth in full herein.

22 21. Plaintiff GLOBAL GYPSY, INC. claims that ACE violated to act fairly and in good faith under  
23 the business loss insurance policy contract.

24 22. The Plaintiff GLOBAL GYPSY, INC. and Defendant ACE entered into a valid business loss  
25 insurance policy contract prior to the date of injury March 13, 2020 and was renewed on March 15,  
26 2020 to March 15, 2021 and it was in effect prior to and subsequent to the announcement of the  
27 COVID-19 pandemic and subsequent executive order N-25-20 by the governor of the State of  
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1 California for the mandatory closure/stay at home/ safer at home order on March 4, 2020. (See  
2 **EXHIBIT 1**)

3 23. The Plaintiff GLOBAL GYPSY, INC. paid all premiums and his insurance policy  
4 business loss contract was current and valid at the time of the COVID-19 executive order on  
5 March 4, 2020; Plaintiff was excused from performance under the contract when Defendant ACE  
6 breached its obligations under the contract, violating the duty of good faith and fair dealing when  
7 it denied that there was coverage for business income loss under mandatory civil authority shut  
8 down order that was mandatory, in fact such coverage existed under the policy.

9 24. Defendant ACE breached their duty of good faith and fair dealing when they intended  
10 not to honor the coverage for business loss income under the policy and unduly delayed payment  
11 for a covered loss under the policy and they knew there was such coverage for business income  
12 loss at up to \$5,000 and aggregate of \$2,000,000 under the policy limits.

13 25. The conditions required for ACE 's performance under the contract occurred as a result  
14 of the COVID-19 calamity/disaster as of the announcement of the mandatory closure/stay at  
15 home/safer at home executive order of the governors office N-25-20 (See attached **EXHIBIT 1**).

16 26. Defendant ACE 's conduct in intentionally depriving Plaintiff GLOBAL GYPSY, INC.  
17 of a benefit under the policy and misrepresenting the coverage provisions provided for under the  
18 policy and undue delay of payment to Plaintiff was in bad faith as a scheme to unjustly enrich  
19 Defendant at the expense of policy holders under the idea of Force Majeure "act of god" when  
20 such policy coverage did exist under the policy and was foreseeable.

21 27. Defendant ACE breached the covenant of good faith and fair dealing wrongfully and  
22 tortiously when it unduly delayed payment under the policy or pay a substantial amount of the  
23 policy. This wrongful act that deprived Plaintiff of his rights and benefits to business loss income  
24 insurance payments as an intended beneficiary under the policy. Further, Defendant wrongfully  
25 intended to breach the contractual obligations under the policy when the COVID-19 Executive  
26 Order N-25-20 was announced and was intentionally taking measures to enrich themselves at the  
27 policy holders expense based on the idea of unforeseeable "Acts of God" when in fact it was  
28 foreseeable and provided for under the policy provisions as follows:

1 28. i. Civil Authority

2 (1) This insurance is extended to apply to the actual loss of Business Income you sustain  
3 when access to your "scheduled premises" is specifically prohibited by order of a civil  
4 authority as the direct result of a Covered Cause of Loss to property in the immediate  
5 area of your "scheduled premises".

6 (2) The coverage for Business Income will begin 72 hours after the order of a civil  
7 authority and coverage will end at the earlier of:

8 (a) When access is permitted to your "scheduled premises"; or

9 (b) 30 consecutive days after the order of the civil authority.

10 29. As seen above the policy foresaw a potential closure by civil authority and as a result of  
11 Defendant ACE becoming aware of such dire calamity as the COVID-19 Crisis, the upper level  
12 management, directors, and board members decided as a cost of doing business, they would risk  
13 legal action in a certain number of cases because they knew most policy holders would sleep on  
14 their rights under the policy and the Defendant Company ACE would profit by unjustly denying  
15 coverage under such policies as a way to enrich themselves and their shareholders over the needs  
16 of the policy holders that paid their premiums. This conduct by Defendant ACE was wrong and  
17 unconscionable and the conduct as stated above with Plaintiff GLOBAL GYPSY, INC. as just  
18 one example of what was a policy decision made at the upper levels as a risk benefit assessment  
19 that Defendant calculated was profitable enough to outright deny business loss income insurance  
20 because most people would not seek legal counsel zealously or would sleep on their rights. It is  
21 unlikely this is an isolated incident of outright coverage denial based on the doctrine of Force  
22 Majeure "act of god" however this policy had express provisions for civil authority actions in the  
23 policy as mentioned above in paragraph 27.

24 30. Plaintiff GLOBAL GYPSY, INC. was harmed by the denial of the coverage for business  
25 loss income insurance and was thereby harmed economically, and as a result the Plaintiff had to  
26 seek legal counsel to remedy the breach of Defendant insurer and to mitigate his damages.



1 31. Thereby, based on the wrongful, tortious acts and omissions of the insurer Defendant  
2 ACE, Plaintiff GLOBAL GYPSY, INC. is entitled to exemplary and punitive damages as  
3 according to proof to be shown at trial.

4 **THIRD CAUSE OF ACTION**

5 **BREACH OF CONTRACT**

6 (As against, **ACE FIRE UNDERWRITERS INSURANCE COMPANY**; and Does 1 to 100)

7 31. Plaintiff hereby incorporates by reference all prior and subsequent paragraphs of this complaint  
8 as if set forth in full herein.

9 32. Plaintiff, by paying the premiums to ACE , for his business insurance GLOBAL GYPSY, INC.  
10 located at 1048 S. LOS ANGELES, ST. LOS ANGELES, CA 90015, entered into the valid and  
11 enforceable written business insurance policy contract offered him by Defendants, and each of them,  
12 prior to and on or about March 13, 2020. Plaintiff was denied coverage for business loss based on the  
13 undue delay. Plaintiff retained counsel shortly thereafter, in late March 2020, related to the denial of  
14 the business loss claim with Defendant ACE to obtain the moneys due under the policy and to obtain  
15 the full policy limits for business income loss due under the policy of \$5,000 and aggregate of  
16 \$2,000,000 per Plaintiff's insurance policy under the valid and enforceable contract.

17 33. During 2020, ACE ignored and refused to pay in full, plaintiff's "business income loss  
18 coverage money due him under the plaintiff's ACE insurance policy after the Executive Order N-25-  
19 20 by Governor Newsom of California for the mandatory stay at home/safer at home order. This was  
20 an order by a civil authority and was covered under the policy on page 9 (i)(5)(1) up to \$5,000 and  
21 aggregate of \$2,000,000 for each dependent property under the full policy limits.

22 34. As of March 2020, plaintiff's demands for the full \$5,000 and aggregate of \$2,000,000 policy  
23 business income loss benefits were denied by ACE. Plaintiff was thereafter compelled to legal  
24 counsel and sue ACE for breach of contract and breach of the covenant of good faith and fair dealing  
25 in contract.

26 35. In truth and fact at said time on or about March 13, 2020, when Plaintiff GLOBAL GYPSY,  
27 INC. and other identified insureds entered into the standardized insurance policy contract with  
28 defendants and each of them, Defendants did not intend to pay any claimant all sums that business

1 income loss insurance as covered by the mandatory closure by civil authority provision (4)i.(1) under  
2 the policy on page 9 of the policy, and in truth and fact, Defendants, and each of them, at that time,  
3 intended to pay the claimant far less than the sum to which the claimant would be entitled; and in  
4 truth and fact, Defendant ACE FIRE UNDERWRITERS INSURANCE COMPANY, did not intend  
5 to pay reasonably and promptly any sums due Plaintiff, but intended to deny unreasonably any sums  
6 to which claimant would be entitled, even including denying the Plaintiff coverage unnecessarily in  
7 order to avoid paying out the claims when the money which was legitimately due to Plaintiff. In truth  
8 and fact, Defendants, and each of them, at or about the time of the issuance Covid-19 order issuance  
9 on March 4<sup>th</sup>, 2020, ACE FIRE UNDERWRITERS INSURANCE COMPANY intended to violate  
10 the Covenant of Good Faith and Fair Dealing implicit in the insurance contract under the policy by  
11 denying Plaintiff GLOBAL GYPSY, INC. the coverage he was due under the business insurance  
12 policy contract. As a result of the Defendants material breach of the agreement under the express  
13 terms of the policy, Plaintiff GLOBAL GYPSY, INC. was forced to seek legal representation and  
14 incurred costs and expenses as a result of standing on his rights under the contract to remedy his  
15 damages flowing from Defendant ACE 's breach.

16 36. At all times relevant herein, plaintiff and other insureds under the insurance policy performed  
17 all material duties and obligations required under the insurance policy except those that were excused  
18 or discharged. This included making all payments due to defendant, ACE , under the insurance  
19 policy. Defendants and each of them, accepted policy premium payments from plaintiff and other  
20 insureds identified within the policy, made on behalf of plaintiff, as a named policy insured.

21 37. By never intending to honor the obligations under the business loss insurance contract at the  
22 first news of COVID-19 Pandemic and using the Pandemic as a shield to justify repudiation of the  
23 contract and a denial of coverage, Defendant ACE materially breached the agreement as follows:

- 24 a) By using the doctrine of Force Majeure or "Act of God" to say Defendant ACE was  
25 excused from the contractual obligations under the policy, when in truth and fact such a  
26 type of loss was covered under the policy, and such loss was foreseeable to Defendant  
27 ACE.

1           b) Defendant, by denying the insurance policy coverage to Plaintiff GLOBAL GYPSY, INC.  
2           materially breached the contract for business loss insurance, when they denied coverage  
3           for a loss that was expressly covered under the policy.

4 38.       Defendants, and each of them, failed to, and refused to conduct a reasonable, fair, timely and  
5 thorough investigation into the facts and circumstances of the plaintiff's business loss claim asserted,  
6 and tried to use the doctrine of force majeure "Act of God" to excuse themselves from performance  
7 of their obligations under the contract, when such acts by civil authority were foreseeable under the  
8 contract. Defendants wrongfully conspired to deny Plaintiff benefits due under the insurance policy;  
9 and offered no reasonable settlement whatsoever at any time when they knew the case was worth far  
10 more than the remaining \$5,000 and aggregate of \$2,000,000 policy limits to relieve Defendants, and  
11 each of them, from having to pay promptly, fairly and reasonably benefits under the insurance policy.  
12 As a proximate result of the unreasonable, wrongful and bad faith conduct mentioned above, and by  
13 the breach of said insurance policy contract, Plaintiff has suffered mental, physical, economic, and  
14 other damages in an amount to be shown at trial. By engaging in the acts and omissions alleged  
15 throughout this complaint, defendants and each of them breached the insurance policy contract terms  
16 and the contract.

17 39.       As a direct and proximate result of the breach by Defendants, and each of them, of their  
18 obligations under the insurance policy, Plaintiff has been damaged as follows:

19           a) Plaintiff was forced to suffer economic and consequential damages as referenced herein  
20 and throughout this complaint in an amount to be shown at trial.

21           b) Plaintiff seeks exemplary damages, attorneys' fees and costs with pre and post judgment  
22 interest, and punitive damages to deter Defendant, ACE 's wrongful conduct.

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1 **PRAYER**

2 WHEREFORE, Plaintiff prays for damages as against Defendants, and each of them, as follows:

- 3 A. For general pecuniary and compensatory damages for breach of the implied  
4 covenant of good faith and fair dealing including, but not limited to, injuries  
5 resulting from humiliation, mental anguish and emotional distress and  
6 litigation expenses and costs according to proof;
- 7 B. For compensatory and consequential damages according to proof for breach  
8 of contract;
- 9 C. For compensatory, consequential and incidental damages according to proof  
10 on all accounts;
- 11 D. For reasonable attorneys' fees in obtaining policy benefit incurred herein; for  
12 reasonable additional attorneys' fees; and costs with pre and post judgement  
13 interest from the breach of covenant of good faith and fair dealing *in contract*  
14 (bad faith) cause of action;
- 15 E. For reasonable attorneys' fees in obtaining policy benefit incurred herein; for  
16 reasonable additional attorneys' fees; and costs with pre and post judgement  
17 interest from the breach of covenant of good faith and fair dealing *in tort* (bad  
18 faith) cause of action;
- 19 F. For prejudgment interest in an amount to be proved at time of trial;
- 20 G. For costs of suit incurred herein;
- 21 H. For punitive and exemplary damages in an amount sufficient to punish, deter  
22 and make an example of Defendants, and each of them as to the breach of  
23 contract cause of action.
- 24 I. For such other and further relief as this Court may deem just and proper.
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26 Dated: January 27, 2022

LAW OFFICES OF GENE J. GOLDSMAN

27 By:  \_\_\_\_\_

Gene Goldsman, Esq.

28 Attorney for Plaintiff, GLOBAL GYPSY, INC.

# EXHIBIT 1

EXECUTIVE DEPARTMENT  
STATE OF CALIFORNIA

EXECUTIVE ORDER N-25-20

**WHEREAS** on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

**WHEREAS** despite sustained efforts, the virus remains a threat, and further efforts to control the spread of the virus to reduce and minimize the risk of infection are needed; and

**WHEREAS** state and local public health officials may, as they deem necessary in the interest of public health, issue guidance limiting or recommending limitations upon attendance at public assemblies, conferences, or other mass events, which could cause the cancellation of such gatherings through no fault or responsibility of the parties involved, thereby constituting a force majeure; and

**WHEREAS** the Department of Public Health is maintaining up-to-date guidance relating to COVID-19, available to the public at <http://cdph.ca.gov/covid19>; and

**WHEREAS** the State of California and local governments, in collaboration with the Federal government, continue sustained efforts to minimize the spread and mitigate the effects of COVID-19; and

**WHEREAS** there is a need to secure numerous facilities to accommodate quarantine, isolation, or medical treatment of individuals testing positive for or exposed to COVID-19; and

**WHEREAS**, many individuals who have developmental disabilities and receive services through regional centers funded by the Department of Developmental Services also have chronic medical conditions that make them more susceptible to serious symptoms of COVID-19, and it is critical that they continue to receive their services while also protecting their own health and the general public health; and

**WHEREAS** individuals exposed to COVID-19 may be temporarily unable to report to work due to illness caused by COVID-19 or quarantines related to COVID-19 and individuals directly affected by COVID-19 may experience potential loss of income, health care and medical coverage, and ability to pay for housing and basic needs, thereby placing increased demands on already strained regional and local health and safety resources such as shelters and food banks; and

**WHEREAS** in the interest of public health and safety, it is necessary to exercise my authority under the Emergency Services Act, specifically Government Code section 8572, to ensure adequate facilities exist to address the impacts of COVID-19; and

**WHEREAS** under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19 pandemic.

**NOW, THEREFORE, I, GAVIN NEWSOM**, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567, 8571 and 8572, do hereby issue the following order to become effective immediately:

**IT IS HEREBY ORDERED THAT:**

1. All residents are to heed any orders and guidance of state and local public health officials, including but not limited to the imposition of social distancing measures, to control the spread of COVID-19.
2. For the period that began January 24, 2020 through the duration of this emergency, the Employment Development Department shall have the discretion to waive the one-week waiting period in Unemployment Insurance Code section 2627(b)(1) for disability insurance applicants who are unemployed and disabled as a result of the COVID-19, and who are otherwise eligible for disability insurance benefits.
3. For the period that began January 24, 2020 through the duration of this emergency, the Employment Development Department shall have the discretion to waive the one-week waiting period in Unemployment Insurance Code section 1253(d) for unemployment insurance applicants who are unemployed as a result of the COVID-19, and who are otherwise eligible for unemployment insurance benefits.
4. Notwithstanding Health and Safety Code section 1797.172(b), during the course of this emergency, the Director of the Emergency Medical Services Authority shall have the authority to implement additions to local optional scopes of practice without first consulting with a committee of local EMS medical directors named by the EMS Medical Directors Association of California.
5. In order to quickly provide relief from interest and penalties, the provisions of the Revenue and Taxation Code that apply to the taxes and fees administered by the Department of Tax and Fee Administration, requiring the filing of a statement under penalty of perjury setting forth the facts for a claim for relief, are suspended for a period of 60 days after the date of this Order for any individuals or businesses who are unable to file a timely tax return or make a timely payment as a result of complying with a state or local public health official's imposition or recommendation of social distancing measures related to COVID-19.
6. The Franchise Tax Board, the Board of Equalization, the Department of Tax and Fee Administration, and the Office of Tax Appeals shall use their administrative powers where appropriate to provide those individuals and businesses impacted by complying with a state or local public health official's imposition or recommendation of social

distancing measures related to COVID-19 with the extensions for filing, payment, audits, billing, notices, assessments, claims for refund, and relief from subsequent penalties and interest.

7. The Governor's Office of Emergency Services shall ensure adequate state staffing during this emergency. Consistent with applicable federal law, work hour limitations for retired annuitants, permanent and intermittent personnel, and state management and senior supervisors, are suspended. Furthermore, reinstatement and work hour limitations in Government Code sections 21220, 21224(a), and 7522.56(b), (d), (f), and (g), and the time limitations in Government Code section 19888.1 and California Code of Regulations, title 2, sections 300-303 are suspended. The Director of the California Department of Human Resources must be notified of any individual employed pursuant to these waivers.
8. The California Health and Human Services Agency and the Office of Emergency Services shall identify, and shall otherwise be prepared to make available—including through the execution of any necessary contracts or other agreements and, if necessary, through the exercise of the State's power to commandeer property – hotels and other places of temporary residence, medical facilities, and other facilities that are suitable for use as places of temporary residence or medical facilities as necessary for quarantining, isolating, or treating individuals who test positive for COVID-19 or who have had a high-risk exposure and are thought to be in the incubation period.
9. The certification and licensure requirements of California Code of Regulations, Title 17, section 1079 and Business and Professions Code section 1206.5 are suspended as to all persons who meet the requirements under the Clinical Laboratory Improvement Amendments of section 353 of the Public Health Service Act for high complexity testing and who are performing analysis of samples to test for SARS-CoV-2, the virus that causes COVID-19, in any certified public health laboratory or licensed clinical laboratory.
10. To ensure that individuals with developmental disabilities continue to receive the services and supports mandated by their individual program plans threatened by disruptions caused by COVID-19, the Director of the Department of Developmental Services may issue directives waiving any provision or requirement of the Lanterman Developmental Disabilities Services Act, the California Early Intervention Services Act, and the accompanying regulations of Title 17, Division 2 of the California Code of Regulations. A directive may delegate to the regional centers any authority granted to the Department by law where the Director believes such delegation is necessary to ensure services to individuals with developmental disabilities. The Director shall describe the need justifying the waiver granted in each directive and articulate how the waiver is necessary to protect the public health or safety from the threat of COVID-19 or necessary to ensure that services to individuals with developmental disabilities are not disrupted. Any waiver granted by a directive shall expire 30 days from the date of its issuance. The Director may grant one or more 30-day extensions if the waiver continues to be necessary



to protect health or safety or to ensure delivery of services. The Director shall rescind a waiver once it is no longer necessary to protect public health or safety or ensure delivery of services. Any waivers and extensions granted pursuant to this paragraph shall be posted on the Department's website.

11. Notwithstanding any other provision of state or local law, including the Bagley-Keene Act or the Brown Act, a local legislative body or state body is authorized to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to attend and to address the local legislative body or state body, during the period in which state or local public officials impose or recommend measures to promote social distancing, including but not limited to limitations on public events. All requirements in both the Bagley-Keene Act and the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting are hereby waived.

In particular, any otherwise-applicable requirements that

- (i) state and local bodies notice each teleconference location from which a member will be participating in a public meeting;
- (ii) each teleconference location be accessible to the public;
- (iii) members of the public may address the body at each teleconference conference location;
- (iv) state and local bodies post agendas at all teleconference locations;
- (v) at least one member of the state body be physically present at the location specified in the notice of the meeting; and
- (vi) during teleconference meetings, a least a quorum of the members of the local body participate from locations within the boundaries of the territory over which the local body exercises jurisdiction

are hereby suspended, on the conditions that:


- (i) each state or local body must give advance notice of each public meeting, according to the timeframe otherwise prescribed by the Bagley-Keene Act or the Brown Act, and using the means otherwise prescribed by the Bagley-Keene Act or the Brown Act, as applicable; and
- (ii) consistent with the notice requirement in paragraph (i), each state or local body must notice at least one publicly accessible location from which members of the public shall have the right to observe and offer public comment at the public meeting, consistent with the public's rights of access and public comment otherwise provided for by the Bagley-Keene Act and the Brown Act, as applicable (including, but not limited to, the requirement that such rights of access and public comment be made available in a manner consistent with the Americans with Disabilities Act).

In addition to the mandatory conditions set forth above, all state and local bodies are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Bagley-Keene Act and the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to their meetings.

**IT IS FURTHER ORDERED** that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

**IN WITNESS WHEREOF** I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 12th day of March 2020.



GAVIN NEWSOM  
Governor of California

**ATTEST:**

\_\_\_\_\_  
ALEX PADILLA  
Secretary of State

# EXHIBIT 2



This Policy is issued by the stock insurance company listed above ("Insurer").

AT LEAST ONE OF THE ENDORSEMENTS IS A CLAIMS MADE AND REPORTED COVERAGE SECTION. EXCEPT AS OTHERWISE PROVIDED HEREIN, THIS COVERAGE SECTION COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED AND REPORTED TO THE INSURER DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD. PLEASE READ THIS COVERAGE SECTION CAREFULLY. THE LIMITS OF LIABILITY AVAILABLE TO PAY INSURED DAMAGES SHALL BE REDUCED BY AMOUNTS INCURRED FOR CLAIMS EXPENSES. FURTHER NOTE THAT AMOUNTS INCURRED FOR DAMAGES AND CLAIMS EXPENSES SHALL ALSO BE APPLIED AGAINST THE RETENTION AMOUNT.

**Policy Number:** D94751032  
**Renewal of:** TECCAD947510323N

**Named Insured & Principal Address:**  
GLOBAL GYPSY, INC  
1048 S LOS ANGELES ST  
LOS ANGELES, CA 90015-1707

**Policy Period:** From 03-15-2020 To 03-15-2021  
12:01 AM\* Standard Time at your mailing  
address shown

**ADVANCED PREMIUM:** \$1,596.00

Admitted Status: Admitted

Auditable Status: No  
Auditable Period: Annual

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE INSURANCE AS STATED IN THIS POLICY

**Business Description:** Technology

Section 1. **PROPERTY**

Coverage	Limit of Insurance	Deductible	Revised Period of Indemnity	Premium
Business Income and Extra Expense Limit of Insurance	Actual Loss Sustained	72 hours	12 Months	\$0

Described Premises: 1048 S LOS ANGELES ST, LOS ANGELES, CA 90015-1707

Prem. No.	Coverage(s)	Limit Of Insurance	Deductible	Valuation	Premium
1	Business Personal Property	\$103,000	\$1,000	Replacement Cost	\$807.00

Coverage	Limit of Insurance	Deductible	Premium
Equipment Breakdown Protection Coverage	Included	72 hours/\$1,000	\$112

**WIND COVERAGE**

Wind Deductible Percentage N/A  
 Wind Deductible Dollar Amount \$1,000

Wind Excluded No  
**Wind Premium: Included**

**ADDITIONAL COVERAGES (Optional)**

Prem. No.	Build. No.	Coverage(s)	Limit Of Insurance	Deductible	Premium
1	1	Business Income From Dependent Properties	\$5,000	\$1,000	\$0
1	1	Outdoor Property	\$2,500	\$1,000	\$0
1	1	Valuable Papers And Records	\$10,000	\$1,000	\$0
1	1	Accounts Receivable	\$10,000	\$1,000	\$0
1	1	Specified Business Personal Property Temporarily Away From Premises	\$0	\$1,000	\$0

**Total Terrorism (TRIA) Premium: \$31**

**Total Property Premium: \$1,032.00**

**Section 2. LIABILITY**

Described Premises: 1048 S LOS ANGELES ST, LOS ANGELES, CA 90015-1707

Prem. No.	Classification	Class Code	Rating Basis	Premium Basis	Premium	
					Prem/Ops	PR/CO
1	Emerging Industries and Web-enabled Businesses	TE503	Gross Sales	515,000	\$143	\$350

**LIMITS**

Other than Products/Completed Operations Aggregate	\$2,000,000	
Products/Completed Operations Aggregate	\$2,000,000	
Liability and Medical Expenses	\$1,000,000	Per Occurrence
Damage to Premises Rented to You	\$1,000,000	Any One Premises
Medical Expense	\$5,000	Per Person
Combined Total Aggregate	\$2,000,000	All Locations Combined

Item C. **OPTIONAL COVERAGES (LIABILITY)**

**PRIVACY LIABILITY**

**LIMITS**

Privacy Liability Each Claim Limit	\$25,000
Privacy Liability Aggregate	\$25,000
Maximum Policy Aggregate Limit of Liability	\$25,000
Retention	\$1,000
Retroactive Date:	03-15-2020

**Total Privacy Liability Premium: \$35**

**Total Terrorism (TRIA) Premium: \$31**  
**Total General Liability Premium: \$564**  
**Total Policy Premium: \$1,596.00**

Item E. **COVERAGE FORMS**

Form Number	Edition	Title
BOP43591c	1117	BUSINESSOWNERS POLICY DECLARATIONS
CC1K11H	0314	SIGNATURES
BOP45199	0215	PRIVACY LIABILITY INSURANCE ENDORSEMENT
BP0003	0713	BUSINESSOWNERS COVERAGE FORM
BP0453	0713	WATER BACK-UP AND SUMP OVERFLOW
BP0501	0702	CALCULATION OF PREMIUM
BP0517	0106	EXCLUSION - SILICA OR SILICA-RELATED DUST
BP0595	0514	ELECTRONIC DATA LIABILITY - LIMITED COVERAGE
BP1407	0110	BUSINESS INCOME AND EXTRA EXPENSE - REVISED PERIOD OF INDEMNITY
BP1486	0713	COMMUNICABLE DISEASE EXCLUSION
BP1506	0514	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION (PERSONAL AND ADVERTISING INJURY ONLY)
TRIA11c	0115	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
BOP47675	0316	BUSINESSOWNERS LIABILITY EXTENSION

BOP47653	0316	INTELLECTUAL PROPERTY LAWS OR RIGHTS EXCLUSION – PERSONAL AND ADVERTISING INJURY
BOP47639	0316	LIMITATION OF PERSONAL AND ADVERTISING INJURY DEFINITION
BOP47738	0416	EXCLUSION-HEALTHCARE INFORMATION TECHNOLOGY PRODUCTS AND SERVICES
BOP47739	0416	INFORMATION AND NETWORK TECHNOLOGY PROFESSIONAL SERVICES ENDORSEMENT
BP0523	0115	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
BOP47643	0316	EMPLOYMENT-RELATED PRACTICES EXCLUSION
ALL20887	1006	ACE PRODUCER COMPENSATION PRACTICES AND POLICIES
ILP001	0104	U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS
ALL42490B	0716	U.S. FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA")
ALL21101	1106	TRADE OR ECONOMIC SANCTIONS ENDORSEMENT
BOP49269	0517	PERIOD OF RESTORATION DEFINITION – WAITING PERIOD AMENDED
BP0598	0713	AMENDMENT OF INSURED CONTRACT DEFINITION
BOP48527	0117	ASBESTOS EXCLUSION
BOP50397	0518	MARIJUANA EXCLUSION
BOP43830	0614	LEAD EXCLUSION
TR19604d	0115	POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE
BP0155	0517	CALIFORNIA CHANGES

Item F. Notice under this **Policy** shall be given to:  
Chubb North America Claims  
P.O. Box 5122  
Scranton, PA 18505-0554  
Toll Free: 844-539-3801  
ACECRS-CLAIMS@chubb.com

Item G. Producer Name and Mailing Address

PENGUIN INSURANCE SERVICES INC  
860 HILLVIEW CT STE 320  
MILPITAS, CA 95035-0000

Item H. Producer Code: Z10184

IN WITNESS WHEREOF, the **insurer** has caused this **Policy** to be signed by its President and Secretary, and countersigned by a duly authorized representative of the **insurer**.

DATE: 02-14-2020

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Authorized Representative

## SIGNATURES

Named Insured GLOBAL GYPSY, INC			Endorsement Number CC1K11H0314
Policy Symbol TEC	Policy Number D94751032	Policy Period 03-15-2020 TO 03-15-2021	Effective Date of Endorsement 03-15-2020
Issued By (Name of Insurance Company) ACE FIRE UNDERWRITERS INSURANCE COMPANY			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

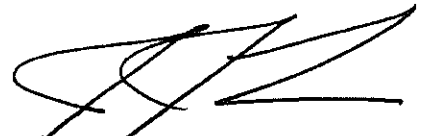
THE ONLY SIGNATURES APPLICABLE TO THIS POLICY ARE THOSE REPRESENTING THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

By signing and delivering the policy to you, we state that it is a valid contract.

**INDEMNITY INSURANCE COMPANY OF NORTH AMERICA** (A stock company)  
**BANKERS STANDARD FIRE AND MARINE COMPANY** (A stock company)  
**BANKERS STANDARD INSURANCE COMPANY** (A stock company)  
**ACE AMERICAN INSURANCE COMPANY** (A stock company)  
**ACE PROPERTY AND CASUALTY INSURANCE COMPANY** (A stock company)  
**INSURANCE COMPANY OF NORTH AMERICA** (A stock company)  
**PACIFIC EMPLOYERS INSURANCE COMPANY** (A stock company)  
**ACE FIRE UNDERWRITERS INSURANCE COMPANY** (A stock company)  
**WESTCHESTER FIRE INSURANCE COMPANY** (A stock company)

436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106-3703

  
REBECCA L. COLLINS, Secretary

  
JOHN J. LUPICA, President

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Authorized Representative