

Assigned for all purposes to: Santa Monica Courthouse, Judicial Officer: Mark Young

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SUPERIOR COURT FOR THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

11 STARLIGHT CINEMAS, INC.; AKARAKIAN
12 THEATERS INC.;
13 ARMAN AKARAKIAN;
14 DANIEL AKARAKIAN,

15 Plaintiffs,

16 v.

17 MASSACHUSETTS BAY INSURANCE
18 COMPANY;
19 MAROEVICH, O'SHEA & COUGHLAN
20 INSURANCE SERVICES, INC. and
21 DOES 1 through 50,

22 Defendants.

Case no.

COMPLAINT AND DEMAND FOR JURY TRIAL

1. Breach of the Duty to Pay a Covered Insurance Claim
2. Breach of the Duty of Good Faith and Fair Dealing
3. Negligence

I. INTRODUCTION

1. Business interruption coverage is an optional insurance benefit available to businesses to minimize their risk and sustain them when a suspension of operations causes a loss of income. This coverage allows businesses to supplement their lost income and to pay continuing operating expenses as well as additional expenses incurred because of the suspension of their operations.

2. As California Insurance Commissioner Ricardo Lara stated in a notice on April 14, 2020 to all admitted and non-admitted insurance companies in California, “Many small and large California businesses purchase Business Interruption insurance to protect against the loss of income and other losses caused by an interruption to the normal operations of the business.” (Exhibit 1.)

3. Plaintiffs in this action own and operate movie theaters across Southern California. They purchased, timely paid all premiums for and performed all duties required of them under an “all risk” commercial property and general liability insurance policy issued by defendant Massachusetts Bay Insurance Company (MBIC).

4. Under an “all risk” policy, all risks of physical loss or damage are covered unless specifically and unambiguously excluded. Stated differently, all non-excluded perils are covered.

5. The Coronavirus (COVID-19) originated in China in late 2019, spread to Europe and eventually came to the United States. On January 30, 2020, the World Health Organization declared a public health emergency of international concern and six weeks later, on March 11, 2020, made the assessment that COVID-19 could be characterized as a pandemic.

6. On March 16, 2020, in response to the COVID-19 pandemic, the County of Los Angeles issued an order from the Department of Public Health prohibiting all indoor public and private gatherings and specifically ordering the closure of all theaters. Over the next few days, the counties of Orange and Riverside issued similar orders closing all non-essential businesses, including theatres. On March 19, 2020, California Governor

1 Gavin Newsom also issued a statewide stay-at-home order similarly banning all public
2 and private gatherings (collectively, the Government Orders).

3 7. As a result of the Government Orders, Plaintiffs were required to close their
4 theaters and cease business operations, resulting in a loss of functional use of their
5 premises and an interruption of their business. The Government Orders thus were the
6 predominant cause of the interruption of Plaintiffs' business.

7 8. Their business interrupted by the Government Orders, Plaintiffs promptly
8 submitted a claim for their income loss to MBIC.

9 9. Engaging in the business of insurance in California imposes upon insurers
10 the legal obligation to conduct a fair, balanced and thorough investigation of all bases of
11 claims for benefits made by their insureds, with a view toward honoring the claims. As
12 part of this obligation, an insurance company must diligently search for and consider
13 evidence that supports coverage of the claimed loss. In so doing, the insurer must give at
14 least as much consideration to the interests of its insured as it gives to its own interests.

15 10. During the COVID-19 pandemic, Commissioner Lara issued a notice after the
16 California Department of Insurance had "received numerous complaints from
17 businesses, public officials, and other stakeholders asserting that certain insurers,
18 agents, brokers, and insurance company representatives are attempting to dissuade
19 policyholders from filing a notice of claim under its Business Interruption insurance
20 coverage, or refusing to open and investigate these claims upon receipt of a notice of
21 claim." (Exhibit 1.)

22 11. The commissioner's notice reminded insurers facing these claims of the
23 importance of complying with their good-faith obligation, citing the California Fair
24 Claims Settlement Practices Regulations (Cal. Code Regs., tit. 10, §§ 2695.1 et seq.
25 [Regulations].): "Therefore, Insurance Commissioner Ricardo Lara finds it necessary to
26 issue this Notice to ensure that all agents, brokers, insurance companies, and other
27 licensees accept, forward, acknowledge, and fairly investigate all business interruption
28 insurance claims submitted by businesses" (Exhibit 1.) The commissioner stated that

1 “every insurer is required to conduct and diligently pursue a thorough, fair, and
2 objective investigation of the reported claim” (*Ibid.*)

3 12. The commissioner further admonished: “If the claim is denied in whole or in
4 part, the insurer is *required to communicate the denial in writing to the policyholder*
5 *listing all the legal and factual bases* for such denial. Where the denial of a first party
6 claim is based on a specific statute, applicable law or policy provision, condition, or
7 exclusion, the written denial must include reference to and provide an explanation of the
8 application of the statute, applicable law, or policy provisions, condition, or exclusion to
9 the claim.” (Exhibit 1, emphasis added.)

10 13. Plaintiffs had the right to rely on MBIC to handle their insurance claim in a
11 manner consistent with well-established and non-controversial California insurance
12 claims-handling standards.

13 14. Unfortunately for Plaintiffs, MBIC failed to meet these claims-handling
14 standards. MBIC abruptly, unreasonably and with disregard for the interests of its
15 insureds, denied the claim in its entirety.

16 15. Alternatively, although Plaintiffs believe that coverage exists under their
17 insurance, to the extent that MBIC’s interpretation is upheld, Plaintiffs bring this lawsuit
18 against Maroevich, O’Shea & Coughlin Insurance Services (the MOS Agency) for its
19 negligent procurement of the policy.

20 II. THE PARTIES

21 16. Plaintiff Starlight Cinemas, Inc. is and at all relevant times was a California
22 corporation in good standing. It is a named insured of the insurance policy that is the
23 subject of this lawsuit.

24 17. Plaintiff Akarakian Theaters Inc. is and at all relevant times was a California
25 corporation in good standing. It is a named insured of the insurance policy that is the
26 subject of this lawsuit.

27 18. Plaintiff Arman Akarakian is and at all relevant times a citizen of California.
28 He is an additional named insured of the insurance policy that is the subject of this

1 lawsuit.

2 19. Plaintiff Daniel Akarakian is and at all relevant times a citizen of California.
3 He is an additional named insured of the insurance policy that is the subject of this
4 lawsuit.

5 20. Defendant Massachusetts Bay Insurance Company is and at all relevant times
6 was a corporation registered with the California secretary of state and the California
7 Department of Insurance and conducting the business of insurance in California.

8 21. Defendant Maroevich, O'Shea & Coughlin Insurance Services is and at all
9 relevant times was a California corporation registered with the California secretary of
10 state and the California Department of Insurance and conducting business as an
11 insurance agency in California.

12 22. The true names, capacities and roles, whether individual, corporate,
13 associate or other, of Does 1-50 are unknown to Plaintiffs, who therefore sue these
14 defendants by such fictitious names. Plaintiffs allege that each Doe defendant is legally
15 responsible in some manner for the events and happenings referred to herein, and they
16 will ask leave of this court to insert the Does' true names, capacities and roles when they
17 become known.

18 23. Plaintiffs are informed and believe and thereon allege that at all times
19 mentioned herein each of the defendants was the agent, partner joint venturer associate
20 or employee of one or more of the other defendants and was acting in the course and
21 scope of such agency, partnership, joint venture, association or employment when the
22 acts giving rise to the cause of action occurred.

23 **III. THE INSURANCE**

24 24. Plaintiffs worked with the MOS Agency to protect their business with
25 insurance coverage. The MOS Agency procured for Plaintiffs a commercial property and
26 general liability insurance policy issued by MBIC, policy number ZDF A085204 06 (the
27 Policy, Exhibit 2.) Plaintiffs specifically requested business income (BI) coverage so that
28 they would be reimbursed for any losses suffered by any unexpected interruption to

1 their business operations.

2 25. The Policy was in effect from August 19, 2019 to August 19, 2020.

3 26. Plaintiffs timely paid all premiums that were due under the Policy. The
4 premiums for one year of coverage totaled \$202,348. In exchange for payment of the
5 premiums, MBIC agreed to provide the insurance coverage described in the Policy.

6 27. The Policy's BI coverage limit is \$4,151,000. This limit is enhanced by
7 Extended Business Income coverage, which adds coverage for an additional 180 days
8 after a property is restored following a loss.

9 28. The "Business Income (and Extra Expense) Coverage Form" is one of the
10 coverage forms included in the commercial property insurance portion of the Policy.

11 29. The Policy provides "all risk" coverage, meaning that it covers all risks except
12 those specifically and unambiguously excluded, through the following provisions:

13 **A. Coverage**

14 **1. Business Income**

15 We will pay for the actual loss of Business Income you sustain due
16 to the necessary "suspension" of your "operations" during the
17 'period of restoration. The "suspension" must be caused by direct
18 physical loss of or damage to property at premises which are
19 described in the Declarations and for which a Business Income
20 Limit Of Insurance is shown in the Declarations. The loss or
21 damage must be caused by or result from a Covered Cause of
22 Loss.

23 30. All policy terms in quotation marks are defined terms in the Policy. Notably,
24 MBIC chose not to define the term "direct physical loss."

25 31. "Business Income" is defined in the Policy as follows:

- 26 a. Net Income (Net Profit or Loss before income taxes) that would
27 have been earned or incurred; and
28 b. Continuing normal operating expenses incurred, including

1 payroll

2 32. "Suspension" is defined in the Policy as follows:

- 3 a. The slowdown or cessation of your business activities; or
4 b. That a part or all of the described premises is rendered
5 untenable, if coverage for Business Income Including "Rental
6 Value" or "Rental Value" applies.

7 33. "Operations" is defined in the Policy as follows:

- 8 a. Your business activities occurring at the described premises;
9 and
10 b. The tenantability of the described premises, if coverage for
11 Business Income Including "Rental Value" or "Rental Value"
12 applies.

13 34. "Period of restoration" is defined in the Policy as follows:

14 Period of restoration' means the period of time that:

15 a. Begins:

- 16 (1) 72 hours after the time of direct physical loss or damage
17 for Business Income Coverage; or
18 (2) Immediately after the time of direct physical loss or
19 damage for Extra Expense Coverage; caused by or resulting
20 from any Covered Cause of Loss at the described premises; and

21 b. Ends on the earlier of:

- 22 (1) The date when the property at the described should be
23 repaired, rebuilt or replaced with reasonable speed and similar
24 quality; or
25 (2) The date when business is resumed at a new permanent
26 location.

27 ...

28 The expiration date of this policy will not cut short the "period of

restoration.”

35. The Policy provides additional coverage for Civil Authority:

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.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to 30 consecutive days from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately

1 after the time of the first action of civil authority that prohibits
2 access to the described premises and will end:

- 3 (1) Four consecutive weeks after the date of that action; or
4 (2) When your Civil Authority Coverage for Business Income
5 ends;

6 whichever is later.

7 36. An endorsement to the Policy entitled "Business Income Changes – Beginning
8 of the Period of Restoration" eliminates the 72-hour time frame of the "period of
9 restoration." It states as follows:

- 10 1. The 72-hour time period in the definition of "period of
11 restoration" is deleted. Therefore the period of restoration for
12 Business Income Coverage begins at the time of direct physical
13 loss or damage, subject to all other provisions of the definition of
14 "period of restoration"; and
15 2. The 72-hour time period in the Civil Authority Additional
16 Coverage is deleted. Therefore, coverage under the Additional
17 Coverage – Civil Authority begins at the time of action of civil
18 authority, subject to all other provisions of that Additional
19 Coverage.

20 37. One of the exclusions in the Policy is for "Governmental Action." The scope of
21 this exclusion is expressly limited to governmental orders regarding the "seizure or
22 destruction of property." This exclusion reads as follows:

23 **c. Governmental Action**

24 Seizure or destruction of property by order of government
25 authority.

26 But we will pay for loss or damage caused by or resulting from
27 acts of destruction ordered by governmental authority and taken
28 at the time of a fire to prevent its spread, if the fire would be

covered under this Coverage Part.

38. The Policy also includes an endorsement entitled "Exclusion Of Loss Due To Virus Or Bacteria" (Virus Exclusion). The Virus Exclusion, in relevant part, reads as follows:

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.

39. Notably, the Virus Exclusion does not refer to pandemics, and the Policy nowhere mentions the term "pandemic."

IV. BACKGROUND FACTS

40. Plaintiffs own and operate movie theaters across Southern California.

41. Plaintiffs' business historically generates about \$4.5 million in net annual revenue. The most profitable months are from March to September, the high season for moviegoing.

42. From March 16–19, 2020, the Government Orders were issued in response to the COVID-19 pandemic.

43. The Government Orders required Plaintiffs to shut their theaters and cease business operations, resulting in a covered loss under the Policy.

44. The Government Orders constitute a continuing predominate cause of Plaintiffs' losses.

45. The Policy was in force at the time of Plaintiffs' loss.

46. Plaintiffs timely submitted a claim for business income loss to MBIC in accordance with the Policy.

47. MBIC had a legal obligation to promptly conduct a fair, balanced and thorough investigation of all bases supporting Plaintiffs' claim, with a view toward honoring the claim. As part of its duty, MBIC was obligated to diligently search for and consider evidence that supported coverage of the claim. In so doing, MBIC was obliged to give at least as much consideration to Plaintiffs' interests as it gave to its own.

1 48. MBIC did not conduct a fair, balanced and thorough investigation of
2 Plaintiffs' claim. In fact, MBIC conducted no investigation at all other than to research
3 legal theories and court rulings that could possibly support denying Plaintiffs' claim. In
4 the process, MBIC purposefully ignored legal theories and court holdings that supported
5 paying the claim. MBIC thereby placed its interests above those of Plaintiffs.

6 49. Having conducted no investigation whatsoever, MBIC denied the claim by
7 letter dated April 27, 2020 (Denial Letter, Exhibit 3).

8 50. In the Denial Letter, MBIC first paraphrased the Policy's grant of BI coverage.
9 It then stated that there was no direct physical loss to the premises and therefore no
10 coverage under the Policy:

11 The language above requires that there is direct physical loss or
12 damage caused by a Covered Cause of Loss, which results in a
13 partial or complete shutdown of your business. In this event,
14 there was no direct physical damage to property at your premises
15 that resulted in a shut down from a covered cause loss.

16 51. MBIC denied coverage under the Policy's Civil Authority provision on similar
17 grounds:

18 The above language provides coverage for your loss of income
19 when direct physical loss or damage occurs within one mile of the
20 described premises from a Covered Cause of Loss that results in
21 the prohibition of access to your premises from an act of civil
22 authority. There was no physical loss or damage to properties in
23 your area from a covered Cause of Loss and, therefore, this
24 coverage does not apply.

25 52. Finally, the Denial Letter referred to the Virus Exclusion as an additional
26 grounds for denying coverage:

27 ...there were no direct physical damages sustained to your
28 described premises or property and, because the policy excludes

1 coverage for loss or damage caused by or resulting from any
2 virus, any loss you sustained is not a loss resulting from a covered
3 cause of loss; therefore we will be unable to afford coverage for
4 your claim.

5 53. Pursuant to Section 2695.7(b)(1) of the Regulations, MBIC was required to
6 state in the Denial Letter all factual, contractual and legal grounds for denying the claim,
7 thereby forfeiting the right to raise additional grounds to attempt to justify its denial.

8 54. As a result of MBIC's wrongful claim denial, Plaintiffs were left to shoulder
9 millions of dollars in losses that threaten to wipe out their business. Plaintiffs were left
10 with no choice but to instigate this lawsuit seeking all recoverable damages, including
11 attorney fees and punitive damages for MBIC's pattern and practice of denying without
12 any investigation claims arising from COVID-19.

13 **V. FIRST CAUSE OF ACTION:**

14 **BREACH OF THE CONTRACTUAL DUTY TO PAY A COVERED INSURANCE CLAIM**
15 **(against MBIC)**

16 55. Plaintiffs refer to all preceding paragraphs and incorporate them as if set
17 forth in full in this cause of action.

18 56. Plaintiffs sustained a loss when their movie theaters were required by the
19 Government Orders to shut, and they suffered a functional loss of use of their premises
20 and a suspension of their business operations.

21 57. Plaintiffs' loss was covered by the Policy.

22 58. Plaintiffs notified MBIC of the loss in accordance with the Policy.

23 59. MBIC did not pay Plaintiffs' claim for their covered loss in accordance with
24 the Policy.

25 **VI. SECOND CAUSE OF ACTION:**

26 **BREACH OF THE DUTY OF GOOD FAITH AND FAIR DEALING**
27 **(against MBIC)**

28 60. Plaintiffs refer to all preceding paragraphs and incorporate them as if set

1 forth in full in this cause of action.

2 61. In every insurance policy there exists an implied duty of good faith and fair
3 dealing that the insurance company will not do anything to injure the right of the
4 insured to receive the benefit of the policy. MBIC breached its duty of good faith and fair
5 dealing owed to Plaintiffs by virtue of the following conduct undertaken without proper
6 cause:

- 7 a) Unreasonably acting or failing to act in a manner that deprived Plaintiffs of
8 the benefits of the Policy;
- 9 b) Unreasonably engaging in a pattern and practice of acting or failing to act
10 in a manner that deprived its insureds of the benefits of policies it issues;
- 11 c) Unreasonably failing to conduct a prompt, fair, balanced and thorough
12 investigation of all the bases of Plaintiffs' claim;
- 13 d) Unreasonably engaging in a pattern and practice of failing to conduct a
14 prompt, fair, balanced and thorough investigation of all of the bases of
15 claims made under policies it issues;
- 16 e) Unreasonably failing to diligently search for and consider evidence that
17 supported coverage of Plaintiffs' claim;
- 18 f) Unreasonably engaging in a pattern and practice of failing to diligently
19 search for and consider evidence that supports coverage of claims;
- 20 g) Unreasonably failing to conduct an investigation to determine the efficient
21 proximate cause (predominant cause) of Plaintiffs' loss;
- 22 h) Unreasonably engaging in a pattern and practice of failing to conduct an
23 investigation to determine the efficient proximate cause (predominant
24 cause) on claims made by insureds;
- 25 i) Unreasonably failing to give at least as much consideration to the interests
26 of Plaintiffs as it gave to its own interests;
- 27 j) Unreasonably engaging in a pattern and practice of failing to give at least
28 as much consideration to the interests of its insureds as it gives to its own

1 interests;

2 k) Unreasonably placing its own financial interests above the interests of
3 Plaintiffs;

4 l) Unreasonably engaging in a pattern and practice of placing its own
5 financial interests above the interests of its insureds;

6 m) Unreasonably failing to comply with the Regulations, including Section
7 2695.7(b)(1);

8 n) Unreasonably failing to apply the Policy's definitions and terms to
9 determine whether Plaintiffs' claim was covered; and

10 o) Unreasonably compelling Plaintiffs to institute this action to obtain
11 benefits due under the Policy.

12 62. MBIC breached its duty of good faith and fair dealing by other acts or
13 omissions of which Plaintiffs are presently unaware but which will be shown according
14 to proof at trial.

15 63. As a proximate result of the aforementioned unreasonable conduct of MBIC,
16 Plaintiffs suffered and will continue to suffer damages in an amount to be proven at trial.

17 64. For the individual plaintiffs, namely Arman Akarakian and Daniel Akarakian,
18 these damages include emotional distress for the stress, anxiety and humiliation of
19 facing the possible forfeiture of their businesses as a result of MBIC's claim denial.

20 65. As a further proximate result of the unreasonable conduct of MBIC, Plaintiffs
21 were compelled to retain legal counsel and institute litigation to obtain the benefits due
22 under the Policy. Therefore, MBIC is liable for those attorney fees, witness fees and
23 litigation costs reasonably incurred to obtain the benefits owed under the Policy.

24 66. MBIC furthermore committed institutional bad faith. MBIC's institutional bad
25 faith amounts to reprehensible conduct because the conduct is part of a repeated
26 pattern of unfair practices and not an isolated occurrence. The pattern of unfair
27 practices constitutes a conscious course of wrongful conduct that is firmly grounded in
28 the established company policy of MBIC. MBIC's institutional bad faith includes

1 systematically denying, without proper cause, BI claims arising from the coronavirus
2 pandemic and associated government shutdown orders.

3 67. MBIC's conduct described herein was intended to cause injury to Plaintiffs
4 or was carried out with a willful and conscious disregard of Plaintiffs' rights. Said
5 conduct constitutes malice, oppression or fraud under California Civil Code section
6 3294, thereby entitling Plaintiffs to punitive damages in an amount appropriate to
7 punish or set an example of MBIC.

8 68. MBIC's conduct was undertaken by its corporate officers, directors or
9 managing agents, who were responsible for claims supervision and operations,
10 underwriting, communications and/or decisions. The conduct was authorized by one or
11 more of MBIC's officers, directors or managing agents. One or more of MBIC's officers,
12 directors or managing agents knew of the actions and adopted or approved that conduct
13 after it occurred.

14 VII. THIRD CAUSE OF ACTION: NEGLIGENCE

15 (against the MOS Agency)

16 69. Plaintiffs refer to all preceding paragraphs and incorporate them as if set
17 forth in full in this cause of action.

18 70. Plaintiffs brings this third cause of action in the alternative to their first and
19 second causes of action.

20 71. As set forth in Plaintiffs' first and second causes of action and the factual
21 allegations of this complaint, coverage exists under the Policy for Plaintiffs' loss.
22 However, to the extent that there is a finding that the Policy does not provide coverage,
23 then Plaintiffs allege in the alternative that the MOS Agency was negligent in procuring
24 of the Policy.

25 72. At all relevant times, the MOS Agency, by and through its authorized
26 employees, represented itself to be a registered, licensed and authorized insurance
27 broker, which undertook the obligations to place insurance coverage for Plaintiffs and to
28 assist them with any questions or concerns they had about the Policy.

74. During the procurement process of the Policy, the MOS Agency incurred and owed an additional, special duty by holding itself out as specialists in insurance coverage for movie theaters. It represented itself as such to Plaintiffs, and indeed a banner on its website advertises: “Delivering innovative insurance products for the arts, entertainment and motion picture theater industry.”

75. The MOS Agency undertook the obligation and assumed a duty to place BI coverage for Plaintiffs. Accordingly, it owed Plaintiffs a duty of due care to see that their interests were fully protected by the coverage that was requested by Plaintiffs.

76. The MOS Agency knew that Plaintiffs would rely on the experience, skill and expertise of the MOS Agency to obtain and place sufficient coverage for Plaintiffs' theaters in the event of a virus or a pandemic.

77. The MOS Agency represented that it was ready and willing to perform the professional service of procuring insurance coverage for Plaintiffs, who desired to obtain BI coverage that would protect them against all losses, including those purportedly caused by viruses since viruses are a common business interruption risk for movie theaters, which are also in the business of serving food. Thus any BI coverage limited by an exclusion for virus-related losses would not have comported with Plaintiffs request for adequate and comprehensive coverage.

78. To the extent the coverage procured by the MOS Agency for Plaintiffs does not provide coverage for the damages suffered as alleged in this complaint, the MOS Agency was negligent in their procurement and placement of the insurance.

79. As a proximate result of the aforementioned negligent conduct of the MOS
Agency, Plaintiffs have suffered damages, including economic losses, for a total amount
to be shown at time of trial.

27 PRAYER FOR RELIEF

28 Plaintiffs respectfully request that this court enter judgment against each defendant.

- 1 The final judgment should set forth the following relief:
- 2 a) Damages for MBIC's breach of the contractual duty to pay a covered insurance
- 3 claim, including all amounts due under the Policy and all foreseeable
- 4 consequential damages;
- 5 b) General and special damages for MBIC's breach of the duty of good faith and
- 6 fair dealing;
- 7 c) Attorney fees incurred, pursuant to *Brandt v. Superior Court* (1985) 37 Cal.3d
- 8 813, in recovering the benefits due under the Policy;
- 9 d) Punitive damages for MBIC's breach of the duty of good faith and fair dealing
- 10 if proven to be committed with malice, oppression or fraud;
- 11 e) Damages for the negligence of the MOS Agency;
- 12 f) Pre-judgment and post-judgment interest as provided by law;
- 13 g) Any further relief that the court may deem just and proper.

14

15 Dated: September 1, 2020

SHERNOFF BIDART ECHEVERRIA LLP

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18 By: 

19 WILLIAM M. SHERNOFF
20 TRAVIS M. CORBY
21 Attorneys for Plaintiffs

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2 **JURY DEMAND**

3 Plaintiffs demand a jury trial on all causes of action that can be heard by a jury.
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6 Dated: September 1, 2020

SHERNOFF BIDART ECHEVERRIA LLP

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8 By: 

9 WILLIAM M. SHERNOFF

10 TRAVIS M. CORBY

11 Attorneys for Plaintiffs
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