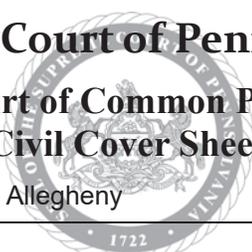


# Supreme Court of Pennsylvania

## Court of Common Pleas Civil Cover Sheet

Allegheny

County



*For Prothonotary Use Only:*

Docket No:

TIME STAMP

*The information collected on this form is used solely for court administration purposes. This form does not supplement or replace the filing and service of pleadings or other papers as required by law or rules of court.*

SECTION A

**Commencement of Action:**

Complaint     
  Writ of Summons     
  Petition  
 Transfer from Another Jurisdiction     
  Declaration of Taking

Lead Plaintiff's Name: Jeff's Notary Service, Inc.

Lead Defendant's Name: Erie Insurance Exchange

Are money damages requested?  Yes     No

Dollar Amount Requested: (check one)  within arbitration limits  
 outside arbitration limits

Is this a *Class Action Suit*?     Yes     No

Is this an *MDJ Appeal*?     Yes     No

Name of Plaintiff/Appellant's Attorney: Laura P. Pollard, Esquire

**Check here if you have no attorney (are a Self-Represented [Pro Se] Litigant)**

SECTION B

**Nature of the Case:** Place an "X" to the left of the ONE case category that most accurately describes your **PRIMARY CASE**. If you are making more than one type of claim, check the one that you consider most important.

<p><b>TORT</b> (do not include Mass Tort)</p> <input type="checkbox"/> Intentional <input type="checkbox"/> Malicious Prosecution <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Nuisance <input type="checkbox"/> Premises Liability <input type="checkbox"/> Product Liability (does not include mass tort) <input type="checkbox"/> Slander/Libel/ Defamation <input type="checkbox"/> Other: _____ _____	<p><b>CONTRACT</b> (do not include Judgments)</p> <input type="checkbox"/> Buyer Plaintiff <input type="checkbox"/> Debt Collection: Credit Card <input type="checkbox"/> Debt Collection: Other _____ _____ <input type="checkbox"/> Employment Dispute: Discrimination <input type="checkbox"/> Employment Dispute: Other _____ _____ <input checked="" type="checkbox"/> Other: Breach of Contract/Bad Faith _____ _____	<p><b>CIVIL APPEALS</b></p> Administrative Agencies <input type="checkbox"/> Board of Assessment <input type="checkbox"/> Board of Elections <input type="checkbox"/> Dept. of Transportation <input type="checkbox"/> Statutory Appeal: Other _____ _____ <input type="checkbox"/> Zoning Board <input type="checkbox"/> Other: _____ _____
<p><b>MASS TORT</b></p> <input type="checkbox"/> Asbestos <input type="checkbox"/> Tobacco <input type="checkbox"/> Toxic Tort - DES <input type="checkbox"/> Toxic Tort - Implant <input type="checkbox"/> Toxic Waste <input type="checkbox"/> Other: _____ _____	<p><b>REAL PROPERTY</b></p> <input type="checkbox"/> Ejectment <input type="checkbox"/> Eminent Domain/Condemnation <input type="checkbox"/> Ground Rent <input type="checkbox"/> Landlord/Tenant Dispute <input type="checkbox"/> Mortgage Foreclosure: Residential <input type="checkbox"/> Mortgage Foreclosure: Commercial <input type="checkbox"/> Partition <input type="checkbox"/> Quiet Title <input type="checkbox"/> Other: _____ _____	<p><b>MISCELLANEOUS</b></p> <input type="checkbox"/> Common Law/Statutory Arbitration <input type="checkbox"/> Declaratory Judgment <input type="checkbox"/> Mandamus <input type="checkbox"/> Non-Domestic Relations Restraining Order <input type="checkbox"/> Quo Warranto <input type="checkbox"/> Replevin <input type="checkbox"/> Other: _____ _____
<p><b>PROFESSIONAL LIABILITY</b></p> <input type="checkbox"/> Dental <input type="checkbox"/> Legal <input type="checkbox"/> Medical <input type="checkbox"/> Other Professional: _____ _____		

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

JEFF'S NOTARY SERVICE, INC.,  
and JEFFREY HEGNER,

Plaintiffs,

vs.

ERIE INSURANCE EXCHANGE

Defendant.

CIVIL DIVISION

No.

**COMPLAINT IN CIVIL ACTION**

Filed on Behalf of Plaintiff:  
JEFF'S NOTARY SERVICE, INC. and  
JEFFREY HEGNER

Counsel of Record for This Party:  
CHRISTOPHER J. REGAN, ESQ.  
(PA #88771)

LAURA P. POLLARD, ESQ.  
(PA #320030)

Bordas & Bordas, PLLC  
One Gateway Center  
420 Fort Duquesne Boulevard  
Suite 1800

Pittsburgh, PA 15222

[cregan@bordaslaw.com](mailto:cregan@bordaslaw.com)

[lpollard@bordaslaw.com](mailto:lpollard@bordaslaw.com)

T: (412) 502-5000

F: (412) 709-6343

*Counsel for Plaintiffs*

**JURY TRIAL DEMANDED**

***TO: DEFENDANTS***

**NOTICE TO DEFEND**

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 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 OR KNOW A LAWYER, THEN YOU SHOULD GO TO OR PHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP:**

**Lawyer Referral Service  
Room 920, City County Building  
Pittsburgh, PA 15219  
(412) 261-2088**

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

JEFF'S NOTARY SERVICE, INC.,  
and JEFFREY HEGNER,

CIVIL DIVISION

Plaintiffs,

No.

vs.

ERIE INSURANCE EXCHANGE

Defendant.

**COMPLAINT**

NOW COMES the Plaintiffs, Jeff's Notary Service, Inc., and Jeffrey Hegner, who for their Complaint against the Defendant, Erie Insurance Exchange, state as follows:

**Parties**

1. The Plaintiff, Jeff's Notary Service, Inc. is a Pennsylvania business corporation with its principal place of business located at 4035 Penn Avenue, Pittsburgh, Pennsylvania 15224.

2. The Plaintiff, Jeffrey Hegner, is and has at all relevant times been a resident of Pittsburgh, Allegheny County, Pennsylvania. Jeffrey Hegner has at all relevant times been the owner and president of Jeff's Notary Service, Inc.

3. The Defendant, Erie Insurance Exchange ("Erie"), is a reciprocal insurance exchange organized and existing in the Commonwealth of Pennsylvania, with its principal place of business located at 100 Erie Insurance Place, Erie, Pennsylvania 16530. Erie is authorized to, and does in fact, regularly conduct business and issue policies of insurance in the Commonwealth of Pennsylvania, including in Allegheny County, and as such, is a citizen of the Commonwealth of Pennsylvania.

## **The Insurance Policy**

4. At all relevant times, Plaintiffs were insured through an Erie UltraPack Plus Commercial General Liability Policy bearing the Policy Number of Q42-1790233, with effective dates of June 17, 2019 to June 17, 2020, and June 17, 2020 to June 17, 2020 (hereinafter “The Policy”). The Policy is not attached to this Complaint inasmuch as it is already in the possession of Erie.

5. Plaintiffs are the Named Insureds under The Policy, which remains in force.

6. Defendant, Erie, is the effective and liable insurer of The Policy.

7. Plaintiffs have performed all of their obligations under The Policy, including the payment of premiums. The Covered Property is a notary service office located at 4035 Penn Ave, Pittsburgh, PA 15224 – the location and principal place of business of Jeff’s Notary Service, Inc.

8. Sometimes property insurance is sold on a specific peril basis, where coverage is limited to risks of loss that are specifically listed (e.g., hurricane, earthquake, etc.). However, many property policies sold in the United States, including The Policy sold by Defendant, Erie, to the Plaintiffs, are “all-risk” property damage policies. These types of policies cover all risks of loss except for risks that are expressly and specifically excluded.

9. Under the heading “Section II - Perils Insured Against,” The Policy states that for “Covered Causes of Loss,” Defendant agreed to pay for ‘direct loss’ unless the ‘loss’ is excluded or limited in The Policy.

10. The Policy issued by Defendant to Plaintiffs did not exclude or limit coverage for losses caused by or otherwise related to viruses. The Policy did not exclude pandemic coverage, communicable disease coverage or anything similar.

11. Losses due to COVID-19 are a Covered Cause of Loss under The Policy pursuant to the Building (Coverage 1), Business Personal Property and Personal Property of Others (Coverage 2), and Income Protection and Extra Expense (Coverage 3) Coverages in The Policy.

12. In the Income Protection and Extra Expense Coverage section of The Policy, Erie agreed to pay for the Plaintiffs' "loss of 'income' and/or 'rental income' you sustain due to partial or total 'interruption of business' resulting from 'loss' or damage to property on the premises described in the 'Declarations' from a peril insured against."

13. In the Income Protection and Extra Expense coverage purchased by the Plaintiffs, Erie agreed to pay for "necessary expenses you incur due to partial or total 'interruption of business' resulting directly from 'loss' or damage to property on the premises described in the 'Declarations' from a peril insured against, for "necessary and actual 'extra expenses' (other than expense to repair or replace property) sustained by you to: (1) avoid or minimize the 'interruption of business' and to continue your business operations: (a) at the premises described in the 'Declarations', (2) minimize the 'interruption of business' if you cannot continue your business operations to the extent it reduces the amount of loss that would have been payable under loss of 'income' and/or 'rental income.'"

14. "Loss" is defined in The Policy to mean direct and accidental loss of or damage to covered property.

15. "Income" is defined in The Policy as "the sum of net income (net profit or loss before income taxes) that would have been earned or incurred and necessary continuing operating expenses incurred by the business such as payroll expenses, taxes, interests, and rents."

16. "Interruption of Business" is defined in The Policy as "the total period of time that your business is partially or totally suspended."

17. “Extra expense” is defined in The Policy as “the necessary expenses incurred by you during the ‘interruption of business’ that would not have been incurred if there had been no direct ‘loss’ to covered property caused by a peril insured against.”

18. The presence of virus or disease can constitute physical loss of or damage to property, as the insurance industry has recognized since at least 2006. When preparing so-called “virus” exclusions to be placed in some policies, but not others, the insurance industry drafting arm—Insurance Services Office, Inc. or “ISO”—circulated a statement to state insurance regulators that included the following:

Disease-causing agents may render a product impure (change its quality or substance), or enable the spread of disease by their presence on interior building surfaces or the surfaces of personal property. When disease causing viral or bacterial contamination occurs, potential claims involve the cost of replacement of property (for example, the milk), cost of decontamination (for example, interior building surfaces), and business interruption (time element) losses. Although building and personal property could arguably become contaminated (often temporarily) by such viruses and bacteria, the nature of the property itself would have a bearing on whether there is actual property damage. An allegation of property damage may be a point of disagreement in a particular case.

19. The ISO also created a new “amendatory endorsement” to exclude loss due to virus or bacteria from coverage afforded by certain insurance policies. The ISO amendatory endorsement states that there is “no coverage 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” (the “Virus Exclusion”).

20. Some insurers added the Virus Exclusion to their policies that provide Business Income (also referred to as “business interruption”) coverage. The Building (Coverage 1), Business Personal Property and Personal Property of Others (Coverage 2), and Income Protection

and Extra Expense (Coverage 3) Coverages in The Policy, however, do not include, and are not subject to, any exclusion for losses caused by viruses or communicable diseases.

21. The Policy also provides coverage to “pay for the actual loss of ‘Income’” sustained “and necessary ‘Extra Expense’” sustained “caused by action of civil authority that prohibits access to” the premises described in the ‘Declarations’ when the civil authority prohibits access to the area immediately surrounding the damaged property, and “the action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the peril insured against that caused the damage....”

22. The Policy, under sections titled “Your Duties After a Loss,” requires, in the event of a loss, the policyholder to give Erie immediate notice of the loss, protect the property from further damage, and to keep a record of the expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This is commonly referred to as “Sue and Labor” coverage. In this instance, Plaintiffs were required to suspend operations to reduce the spread of COVID-19 and reduce the losses occasioned by the spread of the virus on Plaintiffs’ premises. Plaintiffs complied with all requirements for the loss.

23. Losses caused by COVID-19 and the related orders issued by local, state, and federal authorities triggered the Business Income, Extra Expense, Civil Authority, and Sue and Labor provisions of The Policy.

#### **COVID-19 and the Covered Cause of Loss**

24. The averments of paragraphs 1 through 23 are incorporated herein by reference thereto as though the same were fully set forth herein.

25. Coronavirus (COVID-19) is a highly contagious virus that has rapidly spread and continues to spread across the United States. It is a physical substance, human pathogen and can

be present outside the human body in viral fluid particles. According to the CDC, everyone is at risk of getting COVID-19.

26. COVID-19 is spread by a number of methods, including “community spread,” meaning that some people have been infected and it is not known how or where they became exposed. Public health authorities, including the CDC, have reported significant ongoing community spread of the virus including instances of community spread in all 50 states.

27. The CDC has reported that a person can become infected with COVID-19 by touching a surface or object (like a table, floor, wall, furniture, desk, countertop, touch screen or chair) that has the virus on it, and then touching their own mouth, nose or eyes. COVID-19 can and does live on and/or remains capable of being transmitted and active on inert physical surfaces.

28. More specifically, COVID-19 infections are spread through droplets of different sizes which can be deposited on surfaces or objects.

29. In addition, The New England Journal of Medicine reported finding that experimentally-produced aerosols containing the virus remained infectious in tissue-culture assays, with only a slight reduction in infectivity during a 3-hour period of observations. An April 2020 study published in the journal Emerging Infectious Diseases found a wide distribution of COVID-19 on surfaces and in the air about 13 feet from patients in two hospital wards. This means there has been a finding of COVID-19 in the air.

30. COVID-19 has been transmitted by way of human contact with surfaces and items of physical property located at premises in Pennsylvania.

31. COVID-19 has been transmitted by human to human contact and interaction with premises in Pennsylvania.

32. COVID-19 has been transmitted by way of human contact with airborne COVID-19 particles emitted into the air at premises in Pennsylvania.

33. The presence of any COVID-19 particles renders items of physical property unsafe and the premises unsafe.

34. The presence of any COVID-19 particles on physical property impairs its value, usefulness and/or normal function.

35. The presence of any COVID-19 particles causes direct physical harm, direct physical damage and direct physical loss to property.

36. The presence of people infected with or carrying COVID-19 particles renders physical property in their vicinity unsafe and unusable, resulting in direct physical loss to that property.

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

38. Plaintiffs' premises likely have been infected with COVID-19 and it has suffered direct physical loss to the property. The incubation period for COVID-19 is at least 14 days. Current evidence shows that the first death from COVID-19 occurred as early as February 6, 2020 – weeks earlier than previously reported, suggesting that the virus has been circulated in the United States far longer than previously assumed. It is likely customers, employees and/or other visitors to the Plaintiff's insured property were infected with COVID-19 and thereby infected the insured property with COVID-19.

39. To reduce the spread of the disease, the CDC has recommended that businesses clean and disinfect all surfaces, prioritizing the most frequently touched surfaces.

40. COVID-19 has been declared a pandemic by the World Health Organization.

41. The COVID-19 pandemic is a public health crisis that has profoundly impacted American society, including the public's ability to obtain dental care and treatment.

42. The presence of COVID-19 has caused civil authorities throughout the country to issue orders requiring the suspension of business at a wide range of establishments, including civil authorities with jurisdiction over Plaintiffs' business.

### **The Pennsylvania Closure Orders**

43. The averments of paragraphs 1 through 42 are incorporated herein by reference thereto as though the same were fully set forth herein.

44. On March 6<sup>th</sup>, 2020, Pennsylvania Governor Tom Wolf issued a Proclamation of Disaster Emergency in response to the COVID-19 pandemic.

45. On March 19<sup>th</sup>, 2020, Pennsylvania Governor Tom Wolf issued an Order requiring all non-life sustaining businesses in the Commonwealth of Pennsylvania to shut down operations and close all physical locations.

46. On March 23<sup>rd</sup>, 2020, Pennsylvania Governor Tom Wolf issued a Stay at Home Order for various counties in the Commonwealth of Pennsylvania, including Allegheny County.

47. On March 23<sup>rd</sup>, 2020, the Pennsylvania Department of Health also issued an Order which stated that "operation of non-life sustaining businesses present the opportunity for unnecessary gatherings, personal contact, and interaction that will increase the risk of transmission and the risk of community spread of COVID-19."

48. On April 1<sup>st</sup>, 2020, Pennsylvania Governor Tom Wolf extended the March 23<sup>rd</sup>, 2020 Stay at Home Order to the entire Commonwealth of Pennsylvania.

49. The Plaintiff, Jeff's Notary Service, Inc., is a non-life sustaining business whose business operations require face-to-face, in-person interactions and contact in areas where there exists an increased risk of COVID-19 transmission between people and between people and property.

50. Due to the risks associated with COVID-19 and/or due to the above-referenced Orders and Directives, Plaintiffs were forced to shut down their business, were precluded access to the business premises and were forbidden from performing dental services.

51. As a result of COVID-19 and/or the above-referenced Orders and Directives, Plaintiffs experienced a substantial loss of business income and incurred extra expenses that they would not have otherwise incurred.

#### **The Impact of COVID-19 and the Closure Orders**

52. The averments of paragraphs 1 through 51 are incorporated herein by reference thereto as though the same were fully set forth herein.

53. Loss of use of property that has not been physically altered constitutes "physical loss or damage" for purposes of first-party property insurance.

54. As the drafter of the policies, if Erie had wished to exclude from coverage as "physical loss or damage" loss of use of property that has not been physically altered or deformed, it could have used explicit language stating such a definition, but it did not do so.

55. The presence of COVID-19 caused direct physical loss of or damage to the covered property or "premises" under the Plaintiffs' policy by denying use of and damaging the covered property, and by causing a necessary suspension of operations during a period of restoration.

56. The Closure Orders prohibited access to and use of Plaintiffs' Covered Property, and the area immediately surrounding damaged property, in response to dangerous physical

conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage.

57. The Commonwealth of Pennsylvania, through its Governor and the Department of Health and Human Services, issued authoritative orders governing Pennsylvanians and Pennsylvania businesses, including the Plaintiffs' business, in response to COVID-19 and the Pandemic, the effect of which required Plaintiffs to cease and/or significantly reduce operations at, and that prohibited access to, the premises described in The Policy.

58. State and local governmental authorities and public health officials around the United States acknowledge that COVID-19 and the Pandemic cause direct physical loss and damage to property. For example: (a) The State of Colorado issued a Public Health Order indicating that "COVID-19...physically contributes to property loss, contamination and damage..."; (b) The City of New York issued an Emergency Executive Order in response to COVID-19 and the Pandemic, in part "because the virus physically is causing property loss and damage."; (c) Broward County, Florida, issued an Emergency Order acknowledging that COVID-19 "is physically causing property damage."; (d) the State of Washington issued a stay-at-home Proclamation stating the "COVID-19 pandemic and its progression...remains a public disaster affecting life, health [and] property."; (e) The State of Indiana issued an Executive Order recognizing that COVID-19 has the "propensity to physically impact surfaces and personal property."; (f) the City of New Orleans issued an order stating "there is reason to believe that COVID-19 may spread amongst the population by various means of exposure, including the propensity to attach to surfaces for a prolonged period of time, thereby spreading from surface to person and causing property loss and damage in certain circumstances."; (g) the State of New Mexico issued a Public Health Order acknowledging the "threat" COVID-19 "poses" to

“property.”; (h) North Carolina issued a statewide Executive Order in response to the Pandemic not only “to assure adequate protection for lives” but also to “assure adequate protection of property.”; (i) The City of Los Angeles issued an Order in response to COVID-19 “because, among other reasons, the COVID-19 virus can spread easily from person to person and it is physically causing property loss or damage due to its tendency to attach to surfaces for prolonged periods of time; and (j) The City of Kansas City, Missouri, issued a Proclamation in response to COVID-19 “to protect life and property”.

59. As a result of the presence of COVID-19 and the Closure Orders, Plaintiffs lost Business Income and incurred Extra Expense.

## **COUNT I**

### **BREACH OF CONTRACT**

**Jeff’s Notary Service, Inc. and Jeffrey Hegner**

**v.**

**Erie Insurance Exchange**

60. The averments of paragraphs 1 through 59 are incorporated herein by reference thereto as though the same were fully set forth herein.

61. Plaintiffs presented timely claims for coverage under The Policy for the direct “loss” Plaintiffs sustained from COVID-19 and/or Governor Tom Wolf’s March 19<sup>th</sup>, 2020 Executive Order, and subsequent executive Orders, in response to the COVID-19 pandemic

62. On or about May 11<sup>th</sup>, 2020, Plaintiffs received a letter from Erie Insurance indicating that no coverage was available for Plaintiffs’ claims and that Erie Insurance would not be extending coverage to Plaintiffs for any lost business income and extra expenses.

63. As of the filing of this Complaint, Erie Insurance has unjustifiably and illegitimately refused to pay, and has not paid, any money to Plaintiffs for Plaintiffs' claims, and is in breach of The Policy.

64. As a direct and proximate result of the failure of Erie Insurance to pay the benefits due and owing to Plaintiffs, Plaintiffs were compelled to hire counsel, file suit, and have incurred, and will continue to incur attorney fees, costs and expenses.

65. Erie's breach of The Policy has caused the Plaintiffs to suffer harms and losses, as detailed herein.

WHEREFORE, Plaintiffs, Jeff's Notary Service, Inc. and Jeffrey Hegner, seeks compensatory, general, and punitive damages against Defendant, Erie Insurance Exchange, in an amount in excess of the jurisdictional limit of THIRTY-FIVE THOUSAND (\$35,000.00) DOLLARS.

## **COUNT II**

### **BAD FAITH**

**Jeff's Notary Service, Inc. and Jeffrey Hegner**

**v.**

**Erie Insurance Exchange**

66. The averments of paragraphs 1 through 65 are incorporated herein by reference thereto as though the same were fully set forth herein.

67. On September 8<sup>th</sup>, 2020, undersigned counsel sent a letter to Erie Insurance and informed it that if Erie Insurance would tender an amount that reflected the Plaintiffs' lost income and extra expenses available under the Policy, the Plaintiffs would waive any further claims and the Plaintiffs would not incur any attorney fees.

68. By letter dated September 28<sup>th</sup>, 2020, through its counsel, Erie Insurance renewed its refusal to pay any benefits to the Plaintiffs.

69. Plaintiffs were forced to shut down their business operations, were prohibited access to the premises and were forbidden from performing notary services for over two months.

70. Plaintiffs had an objectively reasonable expectation for lost business income and extra expenses coverage benefits and/or coverage benefits resulting from COVID-19 and/or Governor Tom Wolf's March 19<sup>th</sup>, 2020 Executive Order.

71. Plaintiffs presented a timely claim to Erie Insurance under The Policy for the lost business income and extra expense coverage benefits and/or civil authority coverage benefits, and they have complied with all of the requirements and provisions set forth in The Policy.

72. Plaintiffs are entitled under The Policy to recover benefits due and owing under the lost business income and extra expenses coverage and/or coverage for an action of civil authority.

73. Erie Insurance has refused to pay any of the benefits due and owing under The Policy.

74. The failure to pay the benefits due and owing under The Policy constitutes a breach of contract for which Erie Insurance is liable, together with interest, costs and attorney fees.

75. As a direct and proximate result of the failure of Erie Insurance to pay the benefits due and owing to Plaintiffs, Plaintiffs were compelled to hire counsel, file suit, and have incurred, and will continue to incur attorney fees, costs and expenses.

76. As a result of Erie's ongoing refusal to pay the benefits due and owing to Plaintiffs, Plaintiffs have suffered harms and losses as detailed herein.

77. At all material times, Plaintiffs fully abided by all terms and conditions set forth in the Erie Policy.

78. Implied in the terms of the above-referenced Erie Policy issued to Plaintiffs was a covenant requiring Defendant Erie, and all of its agents, employees and representatives, to deal with Plaintiffs' claim fairly and in good faith.

79. The acts and omissions of Defendant Erie, by and through its agents, representatives and employees, in the handling of Plaintiffs' claim arising constituted a breach of the implied covenant of good faith and fair dealing.

80. Defendant Erie's specific conduct in dealing with Plaintiffs' claim was in violation of the covenant of good faith and fair dealing and resulting in a financial benefit to Erie at the detriment of the Plaintiffs.

81. As a direct and proximate result of the breach of the implied duty of good faith and fair dealing, Plaintiffs have suffered a loss of policy benefits.

. As a direct and proximate result of the breach of the implied duty of good faith and fair dealing, Plaintiff Jeffrey Hegner has suffered emotional distress, anxiety, worry and other incidental and consequential damages.

82. The acts and omissions of Defendant Erie, by and through its agents, representatives and employees, in handling Plaintiffs' claim were intentional, malicious, willful, wanton, reckless and outrageous in character and were committed in bad faith and/or with conscious disregard for the rights of Plaintiffs.

83. The acts and omissions of Defendant Erie, by and through its agents, representatives and employees, in the handling Plaintiffs' claim were so outrageous that Plaintiffs are entitled to recover punitive damages and other damages available under 42 Pa. C.S. § 8371 from Defendant Erie in order to punish Erie and to deter Erie and other insurance companies from engaging in similar conduct in the future.

WHEREFORE, Plaintiffs, Jeff's Notary Service, Inc. and Jeffrey Hegner, demand judgment in their favor against Defendant, Erie Insurance Exchange, for all benefits to which they are contractually entitled pursuant to the Erie Policy No. Q42-1790233, and seek compensatory, general, and punitive damages, as well as pre-judgment and post-judgment interest and attorneys' fees and costs, against Defendant, Erie Insurance Exchange, in an amount in excess of the jurisdictional limit of THIRTY-FIVE THOUSAND (\$35,000.00) DOLLARS, along with any other relief as this Court deems proper.

**A JURY TRIAL IS DEMANDED ON ALL ISSUES**

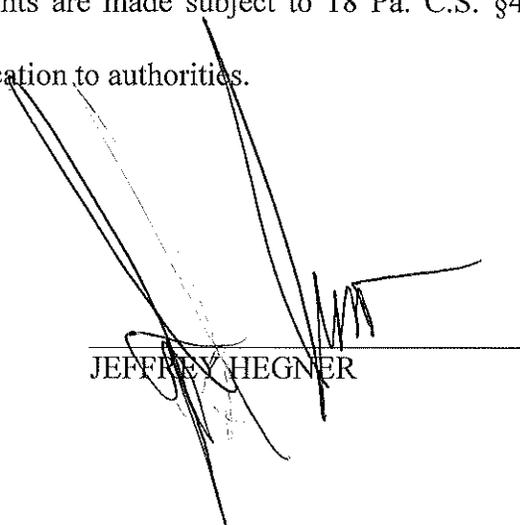
JEFF'S NOTARY SERVICE and  
JEFFREY HEGNER, Plaintiffs,

By: /s/ Laura P. Pollard  
CHRISTOPHER J. REGAN, ESQ. (PA #88771)  
LAURA P. POLLARD, ESQ. (PA #320030)  
Bordas & Bordas, PLLC  
One Gateway Center  
420 Fort Duquesne Boulevard  
Suite 1800  
Pittsburgh, PA 15222  
[cregan@bordaslaw.com](mailto:cregan@bordaslaw.com)  
[lpollard@bordaslaw.com](mailto:lpollard@bordaslaw.com)  
T: (412) 502-5000  
F: (412) 709-6343  
*Counsel for Plaintiffs*

**VERIFICATION**

Jeff's Notary Service, Inc. says that it is a Plaintiff in the foregoing action; that the attached Civil Action Complaint is based upon information which Jeff's Notary Service, Inc., by and through its authorized representative, Jeffrey Hegner, has furnished to counsel and information which has been gathered by his counsel in the preparation of the lawsuit. The language of the Complaint is that of counsel and not of Plaintiff. Plaintiff has read the Complaint and to the extent that the Complaint is based upon information which he has given to his counsel, it is true and correct to the best of his knowledge, information and belief. To the extent that the content of the Complaint is that of counsel, he has relied upon counsel in making this verification.

I understand that my statements are made subject to 18 Pa. C.S. §4904 providing for criminal penalties for unsworn falsification to authorities.

  
\_\_\_\_\_  
JEFFREY HEGNER