

IN THE CIRCUIT COURT  
TWENTIETH JUDICIAL CIRCUIT  
ST. CLAIR COUNTY, ILLINOIS

KNIGHTSBRIDGE MANAGEMENT, INC.  
T/A KNIGHTSBRIDGE RESTAURANT  
GROUP; ARDEO, LLC T/A  
SABABA/BINDAAS; BOMBAY CLUB,  
INC.; OVAL ROOM, LLC; RASIKA, LLC,  
BIBIANA, LLC T/A MODENA; RASIKA  
WEST END, LLC; AB, LLC T/A OLIVIA;  
BINDAAS 2000 PENN LLC T/A  
BINDAAS; and ANNABELLE, LLC,

Plaintiff,

v.

ZURICH AMERICAN INSURANCE  
COMPANY,

Defendant.

Case No. 20L0832

**COMPLAINT**

Knightsbridge Management, Inc. T/A Knightsbridge Restaurant Group; Ardeo, LLC T/A Sababa/Bindaas; Bombay Club, Inc.; Oval Room, LLC; Rasika, LLC; Bibiana, LLC T/A Modena; Rasika West End, LLC; AB, LLC T/A Olivia; Bindaas 2000 Penn LLC T/A Bindaas; and Annabelle, LLC (“Knightsbridge” or “Plaintiff”) files suit against Zurich American Insurance Company (“Zurich” or “Defendant”) and alleges as follows.

**INTRODUCTION**

1. Governments around the world have enacted stringent countermeasures in order to combat the COVID-19 pandemic, requiring the closure of many businesses and restricting almost all public activities.

2. Restaurants, in particular, have suffered immediate and precipitous losses. This impact on restaurants will have a devastating impact on the nation's economy and social life. As of 2016, Americans spend more than half of their food budget eating outside the home. According to The Brookings Institution, food preparation and service is the second most common occupation in the United States; waiting tables is the eighth most common. At the start of 2020, there were more than 12 million Americans working at over 600,000 food service and drinking establishments nationwide. Food & Wine reports that approximately 8 million restaurant workers have been laid-off or furloughed since mid-March. Before the COVID-19 pandemic materialized, the National Restaurant Association predicted 2020 sales would be \$899 billion. As of September 16, 2020, the Association's research shows that restaurants lost \$148 billion in sales between March and August. It also reported that "Looking ahead, most restaurant operators do not anticipate a rapid return to normal. Seventy-one percent of full-service operators say they do not expect their restaurant's sales to return to pre-coronavirus levels within the next six months." The outlook is dire for tens of thousands of restaurants that may never reopen. Data released by the website Yelp shows that 26,160 restaurants in Yelp's database had closed as of July 10, 2020 and 15,770 of them will not be reopening. The same data shows that the restaurant industry had surpassed the retail industry as the industry with the highest total business closures.

3. Knightsbridge bought full-spectrum, comprehensive insurance to protect all aspects of its insured businesses – not just for damage to insured premises and equipment, but also for interruptions in business operations that result in loss of business income. Knightsbridge believed that it had purchased comprehensive coverage that would apply to business interruptions under circumstances like this, where Plaintiff has done everything right to protect its businesses and the public. Such coverage is important, if not vital, because profit margins in the restaurant industry are

slim and, unlike in the insurance industry, reserve funds tend to be low. Hence, business interruptions are a particular concern of this industry.

4. Zurich, from whom Plaintiff had purchased such insurance, has denied Knightsbridge's claim. Though its reasons are cursory, the denial appears to be based on an unreasonable reading of its policy, which tracks form policies issued by Defendant on a take-it-or-leave-it basis. Defendant denied the claim despite having pocketed \$83,390.00 in premiums for the 2019 policy Plaintiff purchased from Zurich.

5. This arbitrary and wrongful denial of insurance benefits leaves Plaintiff's restaurants financially insecure and threatens their ongoing survival.

6. Plaintiff thus brings this action seeking declaratory relief and damages.

#### **PARTIES**

7. Plaintiff Knightsbridge Management, Inc. T/A Knightsbridge Restaurant Group is a corporation organized under the laws of the District of Columbia with its principal place of business in Washington, D.C. There are nine associated entities which operate the ten restaurants covered under the Zurich policy; Ardeo, LLC T/A Sababa/Bindaas; Bombay Club, Inc. d/b/a The Bombay Club; Oval Room, LLC d/b/a/ The Oval Room; Rasika, LLC d/b/a Rasika; Bibiana, LLC T/A Modena; Rasika West End, LLC d/b/a Rasika West End; AB, LLC T/A Olivia; Bindaas 2000 Penn LLC T/A Bindaas; and Annabelle, LLC d/b/a Annabelle. All of these restaurants are located in the District of Columbia.

8. Defendant Zurich American Insurance Company is an insurer organized under the laws of New York with its principal place of business at 1299 Zurich Way, Schaumburg, IL 60196-1056. At all relevant times, Defendant operated in Illinois, including in St. Clair County.

