

Cornerstone Warrington, Inc. v. The Cincinnati Insurance Co.

Year: 2020

Court: United States District Court for the Eastern District of Pennsylvania

Case Number: 2:20-cv-02398-MMB

In its brief opposing The Cincinnati Insurance Company's Motion to Dismiss, UP argues that the policy wording and decades of legal authorities from Pennsylvania and nationwide agree that "physical loss" to property under a property insurance policy is demonstrated by the presence, suspected presence, and/or the imminent threat of the presence of a dangerous substance or disease-causing agent such as SARS-CoV-2.

UP argues that neither the policy definitions nor courts require a permanent alteration of insured property for "physical loss" to be found. Instead, "physical loss" can be shown where the policyholders' property can no longer serve or is unsafe for its intended use after exposure to the dangerous and highly transmissible propensities of SARS-CoV-2 in heavily-trafficked indoor spaces, such as the Cornerstone Policyholders' premises.

This brief was drafted and submitted pro bono by John N. Ellison and Luke E. Debevec of Reed Smith LLP