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HOGAN LOVELLS US LLP ATTORNEYS AT LAW LOS ANGELES

EXHIBIT A

1 CONFORMED COPY ORIGINAL FILED 2 Superior Court of California County of Los Angeles 3 NOV 05 2020 4 Sherri R. Carter, Executive Officer/Clerk By: Isakel Arellanes, Deputy 5 6 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 FOR THE COUNTY OF LOS ANGELES 10 11 COORDINATION PROCEEDING JCCP No. 5125 Special Title (Rule 3.550) 12 COURT'S RULING AND ORDER RE: PETITION FOR COORDINATION FARMERS COVID-19 BUSINESS CASES 13 Included actions: Hearing Date: November 4, 2020 14 15 Outerlands, Inc. v. Truck Insurance Exchange, No. CGC-20-583996 (San 16 Francisco Super. Ct., filed March 30, 2020) (the "Outerlands Action"); 17 Scratch Restaurants LLC dba Phillip 18 Douglas LLC, et al. v. Farmers Group Inc., et 19 al., No. 20STCP01233 (Los Angeles Super. Ct., filed April 1, 2020) (the "Scratch 20 Restaurants Action'); 21 New Restaurant Group LP, et al. v. Farmers Group, Inc., et al., No. CGC20-22 584269 (San Francisco Super. Ct., filed April 30, 2020) (the "New Restaurant Action"); 23 Boca J.P. Inc. v. Farmers Group Inc.,

4. Boca J.P. Inc. v. Farmers Group Inc., No. 20PSCV00325 (Los Angeles Super. Ct., filed May 15, 2020) (the "Boca J.P. Action");

5. Odessa Investment Corp. dba The Great Frame Up #672 v. Farmers Group, Inc., et al., No. 20STCV20188 (Los Angeles Super.

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1	Ct., filed May 26, 2020) (the "Odessa		
2	Investment Action'');		
3	6. Bulk, LLC v. Truck Insurance Exchange, et al., No. 20STCV19129 (Los		
4	Angeles Super. Ct., filed May 18, 2020) (the		
5	"Bulk Action");		
6	7. Uncle Sharkii, LLC v. Farmers Insurance Exchange, No. CI'VMSC20- 00901		
7	(Contra Costa Super. Ct., filed May 22, 2020) (the "Uncle Sharkii Action");		
8	8. Saddleback Medical Management, Inc.		
9	v. Mid-Century Insurance Company, et al., No. 30-2020-01140970-CU-IC-CXC (Orange		
10	County Super. Ct., filed May 26, 2020) (the		
11	"Saddleback Medical Management Action");		
12	9. Jani Investments, LLC v. Truck Insurance Exchange, No. CV-420743 (Lake		
13	Cty. Super. Ct., filed May 26, 2020) (the "Jani Investments Action");		
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15	10. American Traders, Inc. dba Ramada Inn Modesto v. Mid-Century Insurance Company, et al., No. CV-20-2477 (Stanislaus		
16 17	Super. Ct., filed June 4, 2020) (the "American Traders Action");		
1819	11. West Covina Restaurant Group, Inc., et al. v. Farmers Insurance Exchange, No. 20STCV22451 (Los Angeles Super. Ct., filed		
20	June 9, 2020) (the "West Covina Restaurant Group Action");		
21	12. Atelier I 2 3 Restaurant LLC, dba		
22	Atelier Crenn, et al. v. Farmers Group, Inc., et		
23	al., Case No. CGC-20-584762 (S.F. Super. Ct., filed June 15, 2020) (the "Crenn Action");		
24	13. Chunying Investments Inc., dba Dragon		
25	House v. Farmers Group, Inc., et al., Case No. RIC2002673 (Riverside Super Ct., filed July		
26	17, 2020) (the "Chunying Investments Action")		
27	1 totton)		

BACKGROUND

These cases are class action and individual lawsuits filed by California restaurants, bars, hotels, retail stores, and other businesses against one or more of the Farmers Defendants¹ in the wake of the COVID-19 pandemic. The cases allege that the Farmers Defendants improperly denied the insureds' claims for business income losses and extra expenses allegedly suffered as a result of the COVID-19 pandemic (due to COVID-10 related orders and mandates issued by the State of California).

The Farmers Defendants have filed a petition to coordinate these actions, and to have the coordinated action heard in Los Angeles County. ² Plaintiffs in 11 of the 13 Included Actions do not oppose coordination (though in these eleven actions, there is a split as to which venue they believe is proper).

For the reasons discussed infra, the petition for coordination is granted.

II.

DISCUSSION

Petition for Coordination

1. Complex Determination

Only cases that are "complex" as defined by Judicial Council standards may be coordinated. California Practice Guide, Civil Procedure Before Trial, ¶12:374.5 (The Rutter

¹ The Farmers Defendants are Truck Insurance Exchange; Farmers Group, Inc.; Truck Underwriters Association; Farmers Insurance Exchange; Fire Insurance Exchange; and MidCentury Insurance Company (the "Farmers Defendants").

² In addition to the thirteen cases listed in the caption, there are at least five cases which Farmers seeks to add to the coordinated proceeding via add-on petitions. The Court will not address the add-on petitions at this time (including those of Oregon Mutual or the El Nixtamal, LLC Plaintiffs), finding that those add-on petitions should be heard by the coordination trial judge.

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Group 2020); CCP §404 (stating in pertinent part that "[a] petition for coordination, or a motion for permission to submit a petition, shall be supported by a declaration stating facts showing that the actions are complex, as defined by the Judicial Council and that the actions meet the standards specified in Section 404.1").

"A 'complex case' is an action that requires exceptional judicial management to avoid placing unnecessary burdens on the court or the litigants and to expedite the case, keep costs reasonable, and promote effective decision making by the court, the parties, and counsel." CRC 3.400(a). "In deciding whether an action is a complex case under (a), the court must consider, among other things, whether the action is likely to involve: (1) Numerous pretrial motions raising difficult or novel legal issues that will be time-consuming to resolve; (2) Management of a large number of witnesses or a substantial amount of documentary evidence; (3) Management of a large number of separately represented parties; (4) Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court; or (5) Substantial postjudgment judicial supervision." CRC 3.400(b).

CRC 3.400(c) states that an action is provisionally a complex case if it involves one or more of the following types of claims:

- (1) Antitrust or trade regulation claims;
- (2) Construction defect claims involving many parties or structures;
- (3) Securities claims or investment losses involving many parties;
- (4) Environmental or toxic tort claims involving many parties;
- (5) Claims involving mass torts;
- (6) Claims involving class actions; or
- (7) Insurance coverage claims arising out of any of the claims listed in (c)(1) through (c)(6).

There are thirteen (13) cases subject to the instant petition for coordination. Five of the included actions are putative class actions - Bulk, Uncle Sharkii, Odessa Investment, Saddleback

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Medical Management, and American Traders. Therefore, these five cases qualify as provisional class actions under CRC 3.400(c)(6) and (7). The remaining actions, as the Farmers Defendants note, involve insurance coverage claims in the context of a global pandemic that pose novel questions under California law.3 The Court agrees that such novel issues will involve the meaning of direct physical loss or damage to covered property in light of the pandemic. Further, all of these cases would certainly involve difficult pre-trial motions, including motions for judgment on the pleadings, discovery motions, and motions for summary judgment.4

Given the difficult factual and legal issues at the center of these cases, they are all complex. This prerequisite is therefore satisfied.

2. CRC 3.521 requirements

CRC 3.521 requires the petition to be supported by a memorandum and declarations showing, inter alia, the following:

- 1) the name of each petitioner or, when the petition is submitted by a presiding or sole judge, the name of each real party in interest, and the name and address of each party's attorney of record, if any (CRC 3.521(a)(1));
- 2) the names of the parties to all included actions, and the name and address of each party's attorney of record, if any (CRC 3.521(a)(2));
- 3) whether the party's attorney has served the summons and complaint on all parties in all included actions in which the attorney has appeared (CRC 3.521(a)(3));
- 4) the complete title and case number, the date the complaint was filed, and the title of the court in which the action is pending (CRC 3.521(a)(4));
- 5) the complete title and case number of any other action known to the petitioner to be pending in a court of this state that shares a common question of fact or law with the included actions, and a statement of the reasons for not including the other action in the petition for coordination or a statement that the petitioner knows of no other actions sharing a common question of fact or law (CRC 3.521(a)(5));
- 6) the status of each included action, including the status of any pretrial or discovery motions or orders in that action, if known to petitioner (CRC 3.521(a)(6));

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³ Petition at 8:25-26.

⁴ Maddigan Decl., ¶9.

provides:

Coordination of civil actions sharing a common question of fact or law is appropriate if one judge hearing all of the actions for all purposes in a selected site or sites will promote the ends of justice taking into account whether the common question of fact or law is predominating and significant to the litigation; the convenience of parties, witnesses, and counsel; the relative development of the actions and the work product of counsel; the efficient utilization of judicial facilities and manpower; the calendar of the courts; the disadvantages of duplicative and inconsistent rulings, orders, or judgments; and, the likelihood of settlement of the actions without further litigation should coordination be denied.

See also McGhan Med. Corp. v. Sup.Ct. (Hogan) (1992) 11 Cal.App.4th 804, 812.

(1) Is there a common question of fact or law predominating and significant to the litigation?

The first consideration under the §404.1 analysis is whether there is a common question of fact or law predominating and significant to the litigation. Here, counsel Maddigan says that although the Included Actions involve different businesses, some different Stay-At-Home orders, and individualized alleged facts, they share the same core questions under California law: the proper interpretation of the policy form at issue and the viability of central, common legal theories. ¹⁰ Specifically, Maddigan states that the Included Actions allege that the Farmers Defendants provided commercial property coverage to each insured and improperly denied their claims for Business Interruption coverage (or for Business Income losses and Extra Expenses) and/or Civil Authority coverage for losses purportedly suffered as a result of the Stay-At-Home orders from the State of California and/or local authorities that (i) directed the public to cancel nonessential gatherings and to stay at home or "shelter-in-place," and (ii) required closure or curtailment of non-essential businesses. ¹¹ The Included Actions also assert common legal theories, according to counsel Maddigan. ¹² Relying on the Business Income, Extra Expense,

¹⁰ Maddigan Decl., ¶10.

^{27 || 11} *Id*.

¹² *Id*.

¹³ *Id*.

¹⁴ Outerlands/Jani Investments Opposition at 4:17-19.

¹⁵ Outerlands/Jani Investments Opposition at 5:1-3.

and/or Civil Authority provisions in their policies, Plaintiffs assert that the Stay-At-Home orders

In response, the Outerlands/Jani Investments Plaintiffs argue there are numerous factual variations between the plaintiffs, the County COVID-19 responses, and between Outerlands and Jani Investments themselves (as Outerlands is in the restaurant industry, while Jani is in the hospitality industry). Further, Outerlands/Jani Investments argue it is unlikely that each policyholder plaintiff has the exact same policy with Farmers Defendants, and the language of the policies will be key as to whether there is coverage for a loss. ¹⁴ Thus, the Outerlands/Jani Investments plaintiffs argue that the Court will have to analyze each individual policy separately to fully determine whether there is coverage for each of the plaintiffs. ¹⁵

Here, while each of the Plaintiffs in the cases are different, and while there will be certain differences between the policies, there likely will be predominating, common issues with regard to specific provisions in policies that are common to many of the parties in these cases. The coordination trial court will be entrusted with interpreting these policies with the COVID-19 backdrop. Legal interpretations over specifically identifiable policy provisions present common, predominating legal issues. A uniform interpretation over common provisions would aid the parties. Other common, predominating legal questions will include: (i) whether the loss of use of property constitutes "direct physical loss of . . . property" under the terms of Plaintiffs' policies; (ii) whether certain policy exclusions apply (notably, the virus exclusion); (iii) whether the policy provisions, read together, provide coverage absent actual injury to premises; and (iv)

whether the Farmers Defendants breached Plaintiffs' policies in denying coverage. ¹⁶ Further, many of the complaints in this case have many of the same legal claims (predominantly, declaratory relief and breach of contract claims).

In sum, predominating factual and legal issues are present. This factor weighs in favor of coordination.

(2) The convenience of parties, witnesses, and counsel

Defendant argues that coordination would be convenient to the parties, witnesses, and counsel for a few reasons. First, absent coordination, the Farmers Defendants state they will be forced to, at a minimum, file 13 dispositive motions and oppose class certification in five cases.¹⁷ Such motions would likely argue the same points of fact and law.¹⁸ Further, multiple law firms and Farmers Defendants' counsel would have to engage in parallel work and overly burdensome and duplicative discovery, costing the parties more money and time than if the actions were coordinated.¹⁹

The Court finds this factor promotes the convenience of the parties, witnesses, and counsel, and weighs in favor of coordination.

(3) The relative development of the actions and the work product of counsel; (4) The efficient utilization of judicial facilities and manpower; and (5) The calendar of the courts

All of these cases are very new. While discovery is ongoing in the *Outerlands* and *Jani*Investments cases, and while answers and cross-complaints have been filed, the fact remains that these cases are all in their early stages. There does not appear to be any real prejudice resulting from coordination.

¹⁹ *Id*.

¹⁶ Petition at 11:8-13.

¹⁷ Maddigan Decl., ¶12.

¹⁸ Id.

Coordination would be an efficient use of judicial facilities and manpower, especially given the myriad determinations separate courts would have to make on overlapping issues on policy interpretation and class certification. It would be a much more efficient use for a single coordination trial court to make these determinations, instead of piecemeal determinations in separate courts.

Further, it would free up several courtrooms throughout the state (at least 12, with the prospect of many more) to coordinate these cases before a single coordination trial judge.

These factors all weigh in favor of coordination.

(6) The disadvantages of duplicative and inconsistent rulings, orders, or judgments

There is a risk of duplicative and inconsistent rulings if the cases remain uncoordinated. As discussed above, there will be many overlapping policy provisions in these cases, and there is a high risk that two or more different courts will apply different interpretations to the policy provisions. Further, given that five (5) of these cases are putative class actions (with potentially overlapping class members), there is a great danger that two or more different courts could arrive at different decisions to certify potentially overlapping classes. In sum, there is a high risk of duplicative and inconsistent rulings, orders, or judgments, and this factor weighs in favor of coordination.

(7) The likelihood of settlement of the actions without further litigation should coordination be denied

The Farmers Defendants argue that coordination may assist in settlement discussions and promote settlement.²⁰ However, the Overland and Jani Investment Plaintiffs say there has been no discussion of settlement at all. It is unclear whether settlement is more or less likely through coordination. This factor is therefore neutral.

²⁰ Maddigan Decl., ¶13.

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Conclusion on §404.1 factors

For the foregoing reasons, on balance, the CCP §404.1 factors weigh in favor of coordinating these cases. Again, plaintiffs in only two of the cases identified in the petition oppose coordination, while the rest support it. The petition is therefore granted under §404.1.

b. CRC 3.521(a)(8) - Venue

CRC 3.530(b) provides that the coordination motion judge may consider any relevant factors in making a recommendation for the site of the coordination proceedings, including the following:

- (1) The number of included actions in particular locations;
- (2) Whether the litigation is at an advanced stage in a particular court;
- (3) The efficient use of court facilities and judicial resources;
- (4) The locations of witnesses and evidence;
- (5) The convenience of the parties and witnesses;
- (6) The parties' principal places of business;
- (7) The office locations of counsel for the parties; and
- (8) The ease of travel to and availability of accommodations in particular locations.

Here, the two candidates for the coordination venue are Los Angeles and San Francisco Counties. There are currently four (4) Los Angeles cases in the petition, and four (4) San Francisco cases in the petition. One case is on Contra Costa County (Northern California), one is in Orange County (Southern California); one is in Lake County (Northern California), one is in Stanislaus County (Northern California), and one is in Riverside County (Southern California). Thus, the "number of included actions" factor, based on the cases in the petition, is neutral.

Further, the fact that none of these cases is particularly advanced in any venue is a neutral factor.

The Farmers Defendants, though, have their headquarters in Los Angeles County²¹, and there is likely a significant amount of documentary evidence located in Los Angeles County.²² Many of the employee witnesses are also in Los Angeles County.²³ While there will be evidence in other counties, such as San Francisco, it would appear that the bulk of the witnesses and evidence are located in Los Angeles County.

Plaintiffs' counsel in these cases are primarily located in San Francisco or Los Angeles
County (all of Defendant's counsel are represented by the same firm, Hogan Lovells, located in
Los Angeles and in Menlo Park). This factor is therefore neutral.

In terms of ease of travel, Los Angeles is easy to travel to, and has widely available accommodations, given the population size and access to several airports.

In terms of efficient use of judicial facilities and resources, the Court notes that the Los Angeles Superior Court has a complex panel dedicated to complex and coordinated cases like this. Los Angeles could efficiently handle these cases with its judicial facilities and resources.

On balance, the Court finds these factors weigh in favor of selecting Los Angeles County as the appropriate venue.

III.

RULING AND ORDER

For the foregoing reasons, the petition for coordination is granted. The Court recommends and determines Los Angeles County to be the appropriate venue for the coordinated matter to be heard. CRC 3.530(a); CCP §404.3. The Court also selects the Second Appellate

²¹ Maddigan Decl., ¶16.

²² Id.

²³ *Id*.

PROOF OF SERVICE

I am a citizen of the United States and employed in Los Angeles County, California. I am over the age of eighteen years and not a party to the within-entitled action. My business address is Hogan Lovells US LLP, 1999 Avenue of the Stars, Suite 1400, Los Angeles, California 90067. On November 17, 2020, I served a copy of the within document(s):

NOTICE OF RULING AND ORDER RE: PETITION FOR COORDINATION

7	by transmitting via facsimile the document(s) listed above to the fax number(s) set fort				
8	below on this date before 5:00 p.m. by placing the document(s) listed above in a sealed envelope with postage thereon full				
9	prepaid, the United States mail at Los Angeles, California addressed as set forth below. by placing the document(s) listed above in a sealed Federal Express envelope and official a pre-paid air bill, and equains the anyelene to be delivered to a Federal				
10		affixing a pre-paid air bill, and causing the envelope to Express agent for delivery.	be delivered to a Federal		
11	by personally delivering the document(s) listed above to the person(s) at the address(es set forth below.				
12	by transmitting via my electronic service address (mae.chester@hoganlovells.com) the document(s) listed above to the person(s) at the e-mail address(es) set forth below.				
13		by electronically filing the document(s) with the Clerk	of the Court by causing the		
14	_	documents to be sent to One Legal, the Court's Electroleelectronic filing and service. Electronic service will be	e effected by One Legal's case-		
15	×	filing system at the electronic mail addresses set forth by transmitting electronically on counsel of record list	ed below via CASE		
		ANYWHERE LLC in accordance with the June 18, 20 Order ordering use of an e-service provider. This serv			
16		§ 1010.6.			
17		te Arias (mike@aswtlawyers.com) redo Torrijos (alfredo@aswtlawyers.com)	Attorneys for Plaintiff Odessa Investment Corp.		
18	Christopher A.J. Swift (Christopher@aswtlawyers.com) ARIAS SANGUINETTI WANT & TORRIJOS, LLP				
19	6701 Center Drive West, 14 th Floor				
20	Los Angeles, California 90045 Phone: (310) 844-9696				
21	Bra	dley S. Wallace (bradley@wallacefirm.email)	Attorneys for Plaintiff		
22	THE WALLACE FIRM, PC 16000 Ventura Boulevard, Suite 440 Odessa Investment Corp. and the Proposed Class				
23		ino, California 91436 ne: (818) 476-5998			
24	_				
25	I am readily familiar with the firm's practice of collection and processing correspondence				
26	for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same				
	day with postage thereon fully prepaid in the ordinary course of business. I am aware that on				

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motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit. I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on November 17, 2020, at Los Angeles, California. Mae F. Chester