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**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

7TH INNING STRETCH LLC D/B/A
EVERETT AQUASOX; DEWINE SEEDS
SILVER DOLLARS BASEBALL, LLC;
WHITECAPS PROFESSIONAL BASEBALL
CORPORATION,
Plaintiffs,

v.

ARCH INSURANCE CO.; FEDERAL
INSURANCE CO.,
Defendants.

Case No. 2:20-cv-08161-SDW-LDW

CIVIL ACTION

**ANSWER TO PLAINTIFFS'
FIRST AMENDED COMPLAINT**

JURY TRIAL DEMANDED

Defendant Federal Insurance Company (hereinafter, “Federal”), by and through its attorneys, Clyde & Co US LLP, as and for an Answer to the Amended Complaint (“Amended Complaint”) filed by Plaintiffs 7th Inning Stretch LLC d/b/a Everett AquaSox; DeWine Seeds Silver Dollars Baseball, LLC; Whitecaps Professional Baseball Corporation (“Plaintiffs”), states as follows:

INTRODUCTION

1-6. The allegations in Paragraphs 1 through 6 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required,

Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 1 through 6 of the Amended Complaint.

7. The allegations in Paragraph 7 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 7 of the Amended Complaint insofar as they relate to any Defendant other than Federal, and denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 7 of the Amended Complaint insofar as they relate to Federal, except admits that it issued Policy No. 3579-42-58 EUC (the “Federal Policy”), which is clear, unambiguous and speaks for itself. Federal denies any allegations contrary to, misconstruing and/or mischaracterizing the Federal Policy. Federal further denies the allegations that any insurance policy was “purchased” from Federal, that the Federal Policy provides coverage for Plaintiffs under the facts alleged in this claim; that Federal has failed to meet its obligations; and that Federal “plac[ed] the Teams in serious risk of economic failure and jeopardize[d] the future of the American Pastime as we know it.”

8. The allegations in Paragraph 8 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 8 of the Amended Complaint insofar as they relate to any Defendant other than Federal, and denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 8 of the Amended Complaint insofar as they relate to Federal, except admits that the Amended Complaint contains counts seeking relief against Federal under the legal theories of breach of contract, anticipatory breach of contract, and declaratory judgment. Federal further denies that Plaintiffs are “entitled to the full amount of coverage.”

THE PARTIES

I. THE TEAMS

9-11. The allegations in Paragraphs 9 through 11 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraphs 9 through 11 of the Amended Complaint, including FN1, except admits that Federal issued the Federal Policy, which is clear, unambiguous and speaks for itself.

II. THE INSURERS

12. The allegations in Paragraph 12 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 12 of the Amended Complaint.

13. Federal admits that it is incorporated under the laws of Indiana and has a principal place of business in New Jersey.

JURISDICTION AND VENUE

14. The allegations in Paragraph 14 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 14 of the Amended Complaint.

15-16. The allegations in Paragraphs 15 through 16 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 15 through 16 of the Amended Complaint insofar as they relate to any

Defendant other than Federal, and denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraphs 15 through 16 of the Amended Complaint insofar as they relate to Federal, except admits that Federal has a principal place of business in New Jersey and conducts business in New Jersey.

FACTUAL ALLEGATIONS

I. THE NATURE OF THE COVID-19 PANDEMIC

17. The allegations in Paragraph 17 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 17 of the Amended Complaint, except admits that COVID-19 is an infectious disease caused by a novel coronavirus known as SARS-CoV2.

18. The allegations in Paragraph 18 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 18 of the Amended Complaint, except admits that COVID-19 has had a significant impact on life.

19-25. The allegations in Paragraphs 19 through 25 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 19 through 25 of the Amended Complaint.

26-30. The allegations in Paragraphs 26 through 30 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations

contained in Paragraphs 26 through 30 of the Amended Complaint, except states that any orders speak for themselves. Federal denies any allegations contrary to, misconstruing and/or mischaracterizing any orders.

31-32. The allegations in Paragraphs 31 through 32 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 31 through 32 of the Amended Complaint, except denies that "the virus, including its continuing, damaging and invisible presence, and the measures required to mitigate its spread, constitute an actual and imminent threat, and direct physical loss or damage to the ballparks (as well as the areas surrounding them)."

II. GOVERNMENTS' RESPONSES TO THE PANDEMIC

33-38. The allegations in Paragraphs 33 through 39 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 33 through 38 of the Amended Complaint.

39. The allegations in Paragraph 39 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies the allegations contained in Paragraph 39 of the Amended Complaint.

III. MAJOR LEAGUE BASEBALL DOES NOT PROVIDE PLAYERS

40-43. The allegations in Paragraphs 40 through 43 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 40 through 43 of the Amended Complaint.

44. The allegations in Paragraph 44 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies the allegations contained in Paragraph 44 of the Amended Complaint.

IV. THE TEAMS SUFFER BUSINESS-INCOME LOSSES

45-49. The allegations in Paragraphs 45 through 49 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 45 through 49 of the Amended Complaint.

50. The allegations in Paragraph 50 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies the allegations contained in Paragraph 50 of the Amended Complaint.

51. The allegations in Paragraph 51 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 51 of the Amended Complaint.

V. THE POLICIES PROVIDE COVERAGE

52. The allegations in Paragraph 52 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 52 of the Amended Complaint insofar as they relate to any Defendant other than Federal, and denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 52 of the Amended Complaint insofar as they relate to Federal, except admits that Federal issued the Federal Policy, which is clear, unambiguous and speaks for itself. Federal denies

any allegations contrary to, misconstruing and/or mischaracterizing the Federal Policy. Federal further denies the allegations that it “sold” an insurance policy to “the Teams.”

A. The Arch Policies

53-63. The allegations in Paragraphs 53 through 63 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 53 through 63 of the Amended Complaint.

B. The Chubb Policy

64-69. The allegations in Paragraphs 64 through 69 of the Amended Complaint contain conclusions of law to which no response is required. To the extent a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 64 through 69 of the Amended Complaint, except admits that Federal issued the Federal Policy, which is clear, unambiguous, and speaks for itself. Federal denies any allegations contrary to, misconstruing and/or mischaracterizing the Federal Policy.

VI. THE INSURERS FAIL TO COVER THE TEAMS' CLAIMS FOR COVERAGE

70. The allegations in Paragraph 70 of the Amended Complaint contain conclusions of law to which no response is required. To the extent a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 70 of the Amended Complaint insofar as they relate to any Defendant other than Federal, and denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 70 of the Amended Complaint insofar as they relate to Federal.

71. The allegations in Paragraph 71 of the Amended Complaint contain conclusions of law to which no response is required. To the extent a response is required, Federal denies

knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 71 of the Amended Complaint, except admits that Federal sent a letter to the Whitecaps Professional Baseball Corporation (the “Whitecaps”), dated May 18, 2020, denying coverage for the claim submitted by the Whitecaps. The May 18, 2020 letter is clear, unambiguous and speaks for itself. Federal denies any allegations contrary to, misconstruing and/or mischaracterizing the May 18, 2020 letter. Federal further denies that the claim submitted by the Whitecaps was denied “on various inapplicable grounds.”

72-74. The allegations in Paragraphs 72 through 74 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 72 through 74 of the Amended Complaint.

75. The allegations in Paragraph 75 of the Amended Complaint contain conclusions of law to which no response is required. To the extent a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 75 of the Amended Complaint insofar as they relate to any Defendant other than Federal, and denies the allegations in Paragraph 75 of the Amended Complaint insofar as they relate to Federal. Specifically, Federal denies that the position taken in the May 18, 2020 letter is “wrong,” and denies that there has been direct physical loss or damage.

A. Before 2006, courts had held that virus-like substances were covered.

76-78. The allegations in Paragraphs 76 through 78 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 76 through 78 of the Amended Complaint.

79-82. The allegations in Paragraphs 79 through 82 of the Amended Complaint contain conclusions of law to which no response is required. To the extent a response is required, Federal denies the allegations contained in Paragraphs 79 through 82 of the Amended Complaint.

83-87. The allegations in Paragraphs 83 through 87 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 83 through 87 of the Amended Complaint.

B. Insurers deceive state insurance regulators on the law.

88-93. The allegations in Paragraphs 88 through 93 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 88 through 93 of the Amended Complaint.

94-96. The allegations in Paragraphs 94 through 96 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 94 through 96 of the Amended Complaint. To the extent a response is required, Federal denies the allegations contained in Paragraphs 94 through 96 of the Amended Complaint.

97-98. The allegations in Paragraphs 97 through 98 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 97 through 98 of the Amended Complaint.

FIRST CAUSE OF ACTION
(Breach of Contract Against Chubb)

99. Federal admits that the Whitecaps are one of the Plaintiffs in this action, and that the Whitecaps are asserting this cause of action against Federal.

100. Federal repeats and realleges the responses to allegations set forth in the foregoing paragraphs of this Answer as if fully set forth herein.

101. The allegations in Paragraph 101 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal admits that it issued the Federal Policy, which is clear, unambiguous, and speaks for itself. Federal denies any allegations contrary to, misconstruing and/or mischaracterizing the Federal Policy.

102. The allegations in Paragraph 102 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal admits that the Whitecaps allege that they have sustained, and are continuing to sustain, losses but denies that the losses are covered under the Federal Policy.

103. The allegations in Paragraph 103 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal denies knowledge and information sufficient to form a belief as to the truth of the allegations contained in Paragraph 103 of the Amended Complaint.

104-107. The allegations in Paragraphs 104 through 107 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal denies the allegations contained in Paragraphs 104 through 107 of the Amended Complaint.

SECOND CAUSE OF ACTION
(Anticipatory Breach of Contract against Arch)

108-116. The allegations in Paragraphs 108 through 116 of the Amended Complaint are not directed to Federal and, thus, no response is required. To the extent that a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 108 through 116 of the Amended Complaint.

THIRD CAUSE OF ACTION
(Declaratory Judgment Against All Defendants)

117. Federal repeats and realleges the responses to allegations set forth in the foregoing paragraphs of this Answer as if fully set forth herein.

118. Federal denies the allegations in Paragraph 118 of the Amended Complaint as stated. Federal denies that Plaintiffs 7th Inning Stretch d/b/a Everett AquaSox and DeWine Seeds Silver Dollars Baseball, LLC have any viable cause of action against Federal in this action.

119-121. The allegations in Paragraph 119 through 121 of the Amended Complaint contain conclusions of law to which no response is required. To the extent a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 119 through 121 of the Amended Complaint insofar as they relate to any Defendant other than Federal, and denies the allegations in Paragraph 119 through 121 of the Amended Complaint insofar as they relate to Federal, except admits that it issued the Federal Policy, which is clear, unambiguous, and speaks for itself. Federal denies any allegations contrary to, misconstruing and/or mischaracterizing the Federal Policy.

122. The allegations in Paragraphs 122 of the Amended Complaint contain conclusions of law to which no response is required. To the extent a response is required, Federal denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in

Paragraph 122 of the Amended Complaint, except admits that the Plaintiffs seek certain declaratory relief from this Court with respect to the rights and obligations of the parties under the Federal Policy and under any insurance policy issued by any Defendant other than Federal.

123-124. The allegations in Paragraphs 123 through 124 of the Amended Complaint contain conclusions of law to which no response is required. To the extent that a response is required, Federal denies the allegations contained in Paragraphs 123 through 124 of the Amended Complaint. Specifically, Federal denies that this Court should enter a declaratory judgment in favor of the Plaintiffs and against their respective insurers, denies that coverage is available for the Whitecaps' claim, and denies that such a declaration would resolve any current controversy between the Teams and Federal.

WHEREFORE, Federal respectfully requests that this Court deny the Plaintiffs' requested relief, and declare Federal's rights and duties as follows:

1. That this Court adjudge, determine and declare that Federal is not obligated to provide coverage to the Teams under any provision of the Federal Policy; and
2. That this Court grant Federal such other and further relief as this court may deem, just proper and equitable.

AFFIRMATIVE DEFENSES

To the extent that the Teams satisfy their burden of proving the existence, terms and conditions of the Federal Policy, the Federal Policy contains terms and conditions that delineate, limit and/or exclude coverage for the claims at issue in this case. Accordingly, Federal raises the following Affirmative Defenses:

FIRST AFFIRMATIVE DEFENSE
(Failure to State a Claim)

The Amended Complaint does not or may not state facts sufficient to state a claim upon which relief can be granted against Federal.

SECOND AFFIRMATIVE DEFENSE
(No Direct Physical Loss or Damage to Premises Shown in Declarations)

No coverage is or may be available for the claims against Federal to the extent that there is no direct physical loss or damage to premises for which a Limit of Insurance for Business Income With Extra Expense is shown in the Declarations (hereinafter, the “Premises”).

THIRD AFFIRMATIVE DEFENSE
(No Covered Peril)

No coverage is or may be available for the claims against Federal to the extent that the loss or damage at issue in the Amended Complaint was not caused by or did not result from a peril not otherwise excluded or a “covered peril,” as defined in the Federal Policy.

FOURTH AFFIRMATIVE DEFENSE
(Proximity)

No coverage is or may be available for the claims against Federal to the extent that the loss or damage at issue in the Amended Complaint did not occur at, or within 1,000 feet of, the Premises.

FIFTH AFFIRMATIVE DEFENSE
(Loss Prevention Expenses)

No coverage is or may be available for the claims against Federal for loss prevention expenses to the extent that you failed to notify Federal of your intent to incur loss prevention expenses before taking loss prevention action, and/or to the extent that you failed to notify Federal within 48 hours after you took any loss prevention action.

SIXTH AFFIRMATIVE DEFENSE
(No Loss of Business Income)

No coverage is or may be available for the claims against Federal to the extent that there is no actual loss of “business income” due to the actual impairment of your “operations,” as defined in the Federal Policy.

SEVENTH AFFIRMATIVE DEFENSE
(No Extra Expense)

No coverage is or may be available for the claims against Federal to the extent that there is no “extra expense” incurred due to the actual or potential impairment of your “operations,” as defined in the Federal Policy.

EIGHTH AFFIRMATIVE DEFENSE
(No Impairment of Operations During the Period of Restoration)

No coverage is or may be available for the claims against Federal to the extent that there is no actual or potential impairment of “operations” during the “period of restoration,” as defined in the Federal Policy.

NINTH AFFIRMATIVE DEFENSE
(Ingress and Egress)

No coverage is or may be available for the claims against Federal to the extent that existing ingress to or egress from the Premises is prevented due to direct physical loss or damage by a covered peril to property.

TENTH AFFIRMATIVE DEFENSE
(No Prohibition of Access by Civil Authority)

No coverage is or may be available for the claims against Federal to the extent that there is no prohibition of access to your premises or a “dependent business premises” by a civil authority, as defined in the Federal Policy.

ELEVENTH AFFIRMATIVE DEFENSE
**(No Loss of Business Income or Extra Expense Incurred
from Dependent Business Premises)**

No coverage is or may be available for the claims against Federal to the extent that there is no actual loss of “business income” sustained, or “extra expense” incurred, due to direct physical loss or damage by a “covered peril” to “property” at a “dependent business premises,” as defined in the Federal Policy.

TWELFTH AFFIRMATIVE DEFENSE
(Prohibition of Access)

No coverage is or may be available for the claims against Federal to the extent that there is no prohibition of access as a direct result of a covered peril to the Premises by a civil authority.

THIRTEENTH DEFENSE
(Coverage Grants Not Triggered)

No coverage is or may be available for the claims against Federal to the extent the pertinent coverage grants in the Federal Policy have not been triggered and/or satisfied.

FOURTEENTH DEFENSE
(Failure to Perform Obligations, Covenants, and Conditions Precedent and/or Subsequent)

No coverage is or may be available for the claims against Federal to the extent that you failed, and/or any covered loss may be limited or barred in whole or in part by your failure, to perform the obligations, covenants, conditions precedent, and conditions subsequent under the Federal Policy.

FIFTEENTH AFFIRMATIVE DEFENSE
(Acts or Decisions Exclusion)

The claims asserted in the Amended Complaint are or may be barred in whole or in part by any Acts or Decisions exclusion found the Federal Policy.

SIXTEENTH AFFIRMATIVE DEFENSE
(Loss Payment Limitations - Expenses)

The claims asserted in the Amended Complaint are or may be barred in whole or in part to the extent they constitute fees, costs or expenses you incur/incurred or pay/paid in establishing the existence or the amount of any loss or damage, or in prosecuting any legal proceeding or claim.

SEVENTEENTH AFFIRMATIVE DEFENSE
(Loss of Market)

The claims asserted in the Amended Complaint are or may be barred in whole or in part that results from loss of market, loss or use or delay.

EIGHTEENTH AFFIRMATIVE DEFENSE
(Deductibles, Retentions, Retrospective Premiums and Limits of Insurance)

Any covered loss is subject to and may be limited by any applicable deductibles, retentions, retrospective premiums, and/or limits of insurance in the Federal Policy.

NINETEENTH AFFIRMATIVE DEFENSE
(Insured's Duties in the Event of Loss or Damage/Assistance and Cooperation)

The Federal Policy provides that you have certain duties in the event of loss or damage, including without limitation that you must “cooperate with [Federal] in the investigation, settlement or handling of any claim.” Thus, to the extent that you fail or have failed to comply with your duties in the event of loss or damage as provided in the Federal Policy, including assistance and cooperation, no coverage is or may be available for the claims against Federal.

TWENTIETH DEFENSE
(Legal Action Against Us)

The claims asserted in the Amended Complaint are or may be barred in whole or in part to the extent you filed suit without fully complying with all applicable terms and conditions in the Federal Policy.

TWENTY-FIRST AFFIRMATIVE DEFENSE
(Prohibition of Access – Limits of Insurance)

Any covered loss is subject to and may be limited by the Prohibition of Access – Limits of Insurance provision in the Federal Policy.

TWENTY-SECOND AFFIRMATIVE DEFENSE
(Waiting Period)

Any covered loss is subject to and may be limited by Waiting Period provision and Special Waiting Period Endorsement in the Federal Policy.

TWENTY-THIRD AFFIRMATIVE DEFENSE
(Loss Payment and Loss Determination Provisions)

Any covered loss is subject to and may be limited by the Loss Payment Limitations provisions and Loss Payment condition, as well as the Loss Determination provisions in the Federal Policy, including without limitation, Loss Determination regarding “business income,” “extra expense,” and “resumption or continuance of operations,” as defined in the Federal Policy.

TWENTY-FOURTH AFFIRMATIVE DEFENSE
(Other Insurance)

Any covered loss is subject to and may be limited by the Other Insurance provision in the Federal Policy.

TWENTY-FIFTH AFFIRMATIVE DEFENSE
(Policy Terms, Exclusions, Conditions and Limitations)

No coverage is or may be available for the claims against Federal based on, and/or coverage may be limited or barred by, the terms, exclusions, conditions and limitations contained in the Federal Policy.

TWENTY-SIXTH AFFIRMATIVE DEFENSE
(Failure to Mitigate Damages)

To the extent you have failed to mitigate, minimize or avoid any damages you allegedly sustained, any recovery against Federal must be limited by that amount.

TWENTY-SEVENTH DEFENSE
(Failure to Properly Report)

The claims asserted in the Amended Complaint are or may be barred, in whole or in part, to the extent coverage is sought for damages, losses, expenses, matters, or things that were not properly reported to Federal pursuant to the terms of the Federal Policy.

TWENTY-EIGHTH AFFIRMATIVE DEFENSE
(Fees and Costs)

You should not be entitled to recover from Federal your costs, expenses and attorneys' fees in this action.

TWENTY-NINTH AFFIRMATIVE DEFENSE
(Proof and Cause of Damages)

The burden is on you to prove your damages and the cause of your damages, in accordance with the Federal Policy's terms and conditions. To the extent you are unable to do so, no coverage is or may be available for the claims against Federal.

THIRTIETH AFFIRMATIVE DEFENSE
(No Breach of Duty)

Federal has not breached any duty to you arising by statute, contract, tort, common law, or otherwise.

THIRTY-FIRST AFFIRMATIVE DEFENSE
(Acts and/or Omissions)

No coverage is or may be available for the claims against Federal to the extent that the alleged damages or losses suffered by you, if any, were caused by your own acts and/or omissions.

THIRTY-SECOND AFFIRMATIVE DEFENSE
(Additional Affirmative Defenses)

Federal reserves the right to amend its Answer to assert such additional affirmative defenses and/or applicable policy terms, exclusions, conditions and limitations as may become apparent during the continuing course of discovery in this matter. Additionally, Federal reserves the right to amend its Answer to assert additional affirmative defenses to the extent that the law of a state other than New Jersey is applied and/or the law of New Jersey changes or develops, thereby requiring such amendment.

WHEREFORE, Federal respectfully requests that this Court deny the Teams' requested relief, and declare Federal's rights and duties as follows:

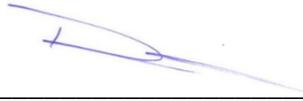
1. That this Court adjudge, determine and declare that Federal is not obligated to provide coverage under any provision of the Federal Policy to the Teams; and
2. That this Court grant Federal such other and further relief as this court may deem, just proper and equitable.

JURY DEMAND

Federal requests a jury for all issues so triable.

Dated: October 7, 2020

CLYDE & CO US LLP



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Company*

CERTIFICATION OF SERVICE

I hereby certify that on the date set forth below, true and correct copies of Federal's Answer to Plaintiffs' Amended Complaint was filed with the Clerk of the United States District Court for the District of New Jersey, Martin Luther King Building & U.S. Courthouse, 50 Walnut Street, Room 4015, Newark, NJ 07101, via ECF electronic filing, and that true and correct copies of the foregoing documents were served upon all counsel of record listed below by ECF electronic filing:

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Dated: October 7, 2020

Respectfully submitted,

CLYDE & CO US LLP



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