

Background Facts:

Custom Products is a manufacturer of specialized machine parts located in the State of Newlandia. The governor of Newlandia has issued the following Covid19 Order on March 20, 2020:

WHEREAS, for the preservation of public health and safety throughout the entire State of Newlandia, and to ensure that our healthcare delivery system is capable of serving those who are sick, I find it necessary to take additional measures consistent with public health guidance to slow and stop the spread of COVID-19;

THEREFORE, by the powers vested in me as the Governor of the State of Newlandia, and pursuant to Newlandia's Emergency Management Agency Act, and consistent with the powers in public health laws, I hereby order the following, effective March 21, 2020 at 5:00 pm and for the remainder of the duration of the Gubernatorial Disaster Proclamation, which currently extends through July 1, 2020:

Non-essential business and operations must cease. All businesses and operations in the State, except Essential Businesses and Operations as defined below, are required to cease all activities within the State except Minimum Basic Operations, as defined below. For clarity, businesses may also continue operations consisting exclusively of employees or contractors performing activities at their own residences (i.e., working from home).

(The "Covid19 Order")

Custom Products is not an Essential Business hence it ceased all business operations pursuant to the Covid 19 Order.

Custom Products has sustained losses in the amount of \$1 million each week that it is precluded from operating pursuant to the Covid19 Order, and will continue to sustain damages in that amount until the Covid19 Order terminates.

Custom Products, on June 30, 2019, renewed its business interruption policy issued by Great Coverage Insurance Company ("GCI"). The policy was originally purchased on June 30, 2015. The following language has been in the GCI policy, without amendment, since 2015:

This policy shall cover Loss for all risks accruing during the term except those expressly excluded. Loss for claims arising out of, or attributable to any of the following are expressly excluded:

- (d) Flood, earthquake, volcanic eruption, tidal wave, act of god, or any other physical event, however caused . . .

Custom Products received notice on May 15, 2020 that GCI's proposed renewal policy will include the following additional exclusion:

The actual or suspected presence of any virus, organism or like substance that is capable of inducing disease, illness, physical distress or death, whether infectious or otherwise, including but not limited to any epidemic, pandemic, influenza, plague, SARS, Avian Flu, or Covid19. . . .

The Governor of Newlandia has extended Newlandia's Covid 19 Order to September 1, 2020. Custom Products.

Custom Products filed a claim for its Loss. GCI denied its claim.

The amount of weekly loss sustained by Custom Products is not in dispute, nor is its claim that such damages are a direct consequence of the Covid19 Order.