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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

PACIFIC ENDODONTICS, P.S., individually
and on behalf of all others similarly situated,

Plaintiff,

v.

THE OHIO CASUALTY INSURANCE
COMPANY,

Defendant.

No.

COMPLAINT - CLASS ACTION

JURY DEMAND

I. INTRODUCTION

Plaintiff, PACIFIC ENDODONTICS, P.S. (“Pacific”), individually and on behalf of all other similarly situated members of the defined national class (the “Class Members”), by and through the undersigned attorneys, brings this class action against Defendant The Ohio Casualty Insurance Company (“OCIC” or “Defendant”) and alleges as follows based on personal knowledge and information and belief:

II. JURISDICTION AND VENUE

1. This Court has subject matter jurisdiction pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1332(d), because at least one Class member is of diverse citizenship

1 from Defendant, there are 100 or more Class members nationwide, and the aggregate amount in
2 controversy exceeds \$5,000,000. The Court has supplemental jurisdiction over Plaintiffs' state
3 law claims under 28 U.S.C. § 1367.

4 2. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(3) because the
5 Court has personal jurisdiction over Defendant, a substantial portion the alleged wrongdoing
6 occurred in this District and the state of Washington, and Defendant has sufficient contacts with
7 this District and the state of Washington.

8 3. Venue is proper in the Western District of Washington pursuant to 28 U.S.C.
9 § 1391(b)(2) because a substantial part of the events or omissions giving rise to the claims at
10 issue in this Complaint arose in this District. Plaintiff's businesses are located in Seattle, King
11 County. This action is therefore appropriately filed in the Seattle Division because a substantial
12 portion of the events giving rise to this lawsuit arose in King County.

13 **III. PARTIES**

14 4. Plaintiff, Pacific Endodontics, P.S. is a dentistry endodontics business with
15 locations at 1229 Madison Street, Ste 1140, Seattle, Washington and 2743 California Avenue
16 SW, Ste 300, Seattle, Washington.

17 5. Defendant OCIC is an insurance carrier incorporated and domiciled in the State
18 of New Hampshire, with its principal place of business in the Commonwealth of Massachusetts,
19 and is a subsidiary of Liberty Mutual Insurance ("Liberty Mutual").

20 **IV. NATURE OF THE CASE**

21 6. Due to COVID-19 and a state-ordered mandated closure, Plaintiff cannot provide
22 dental endodontist services. Plaintiff intended to rely on its business insurance to keep its
23 business as a going concern. This lawsuit is filed to ensure that Plaintiff and other similarly-
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1 situated policyholders receive the insurance benefits to which they are entitled and for which
2 they paid.

3 7. Defendant OCIC issued one or more insurance policies to Plaintiff, including
4 Business Owners Coverage and related endorsements, insuring Plaintiff's property and business
5 practice and other coverages, with effective dates of June 21, 2019 to June 21, 2020.

6 8. Plaintiff's business property includes property owned and/or leased by Plaintiff
7 and used for general business purposes for the specific purpose of dental endodontistry and
8 other business activities.

9 9. Defendant OCIC's insurance policy issued to Plaintiff promises to pay Plaintiff
10 for "DIRECT PHYSICAL LOSS" to covered property and includes coverage for risks of both
11 "loss of or damage to" covered property.

12 10. Defendant OCIC's insurance policy issued to Plaintiff includes Business Income
13 Coverage, Extended Business Income Coverage, Extra Expense Coverage and Civil Authority
14 Coverage.

15 11. Plaintiff paid all premiums for the coverage when due.

16 12. On or about January 2020, the United States of America saw its first cases of
17 persons infected by COVID-19, which has been designated a worldwide pandemic.

18 13. In light of this pandemic, Washington Governor Jay Inslee issued certain
19 proclamations and orders affecting many persons and businesses in Washington, whether
20 infected with COVID-19 or not, requiring certain public health precautions. Among other
21 things, Governor Inslee's "Stay Home, Stay Healthy" order required the closure of all non-
22 essential businesses, including Plaintiff's business.
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1 14. By order of Governor Inslee, practitioners including Plaintiff were prohibited
2 from practicing dental endodontistry but for urgent and emergency procedures.

3 15. Plaintiff's property sustained direct physical loss and/or damage related to
4 COVID-19 and/or the proclamations and orders.

5 16. Plaintiff's property will continue to sustain direct physical loss or damage
6 covered by the OCIC policy or policies, including but not limited to business interruption, extra
7 expense, interruption by civil authority, and other expenses.

8 17. Plaintiff's property cannot be used for its intended purposes.

9 18. As a result of the above, Plaintiff has experienced and will experience loss
10 covered by the OCIC policy or policies.

11 19. Plaintiff submitted a claim to OCIC for the direct physical loss or damage to
12 Plaintiff's property covered under the OCIC policy related to COVID-19 and/or the
13 proclamations and orders; OCIC denied Plaintiff's claim for coverage.

14 20. On information and belief, OCIC has denied or will deny all similar claims for
15 coverage.
16

17 V. CLASS ACTION ALLEGATIONS

18 21. This matter is brought by Plaintiff on behalf of itself and those similarly situated,
19 under Federal Rules of Civil Procedure 23(b)(1), 23(b)(2), and 23(b)(3).
20

21 22. The Classes and Subclasses that Plaintiff seek to represent are defined at this
22 time as:

23 A. ***Business Income Breach of Contract Class:*** All persons and entities in
24 the United States insured under an OCIC policy with Business Income coverage who
25 suffered a suspension of their practice at the covered premises related to COVID-19
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1 and/or orders issued by Governor Inslee, other Governors, and/or other civil authorities
2 and whose Business Income claim was denied by OCIC.

3 B. ***Business Income Coverage Breach of Contract Washington Subclass:***

4 All persons and entities in the State of Washington insured under an OCIC policy with
5 Business Income Coverage who suffered a suspension of their business at the covered
6 premises related to COVID-19 and/or orders issued by Governor Inslee, other
7 Governors, and/or other civil authorities and whose Business Income claim was denied
8 by OCIC.
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10 C. ***Business Income Declaratory Relief Class:*** All persons and entities in

11 the United States insured under an OCIC policy with Business Income coverage who
12 suffered a suspension of their practice related to COVID-19 and/or orders issued by
13 Governor Inslee, other Governors, and/or other civil authorities at the covered premises.
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15 D. ***Business Income Coverage Declaratory Relief Washington Subclass:***

16 All persons and entities in the State of Washington insured under an OCIC policy with
17 Business Income Coverage who suffered a suspension of their business at the covered
18 premises related to COVID-19 and/or orders issued by Governor Inslee, other
19 Governors, and/or other civil authorities.

20 E. ***Extended Business Income Breach of Contract Class:*** All persons and

21 entities in the United States insured under an OCIC policy with Extended Business
22 Income coverage who suffered a suspension of their business at the covered premises
23 related to COVID-19 and/or orders issued by Governor Inslee, other Governors, and/or
24 other civil authorities and whose Extended Business Income claim was denied by OCIC.
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1 F. ***Extended Business Income Breach of Contract Washington Subclass:***

2 All persons and entities in the State of Washington insured under an OCIC policy with
3 Extended Business Income coverage who suffered a suspension of their business at the
4 covered premises related to COVID-19 and/or orders issued by Governor Inslee, other
5 Governors, and/or other civil authorities and whose Extended Business Income claim
6 was denied by OCIC.

7 G. ***Extended Business Income Declaratory Relief Class:*** All persons and

8 entities in the United States insured under an OCIC policy with Extended Business
9 Income coverage who suffered a suspension of their business at the covered premises
10 related to COVID-19 and/or orders issued by Governor Inslee, other Governors, and/or
11 other civil authorities.
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13 H. ***Extended Business Income Declaratory Relief Washington Subclass:***

14 All persons and entities in the State of Washington insured under an OCIC policy with
15 Extended Business Income coverage who suffered a suspension of their business at the
16 covered premises related to COVID-19 and/or orders issued by Governor Inslee, other
17 Governors, and/or other civil authorities.
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19 I. ***Extra Expense Breach of Contract Class:*** All persons and entities in the

20 United States insured under an OCIC policy with Extra Expense coverage who sought to
21 minimize losses from the suspension of their business at the covered premises in
22 connection with COVID-19 and/or orders issued by Governor Inslee, other Governors,
23 and/or other civil authorities and whose Extra Expense claim was denied by OCIC.
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25 J. ***Extra Expense Breach of Contract Washington Subclass:*** All persons

26 and entities in the State of Washington insured under an OCIC policy with Extra

1 Expense coverage who sought to minimize losses from the suspension of their business
2 at the covered premises in connection with COVID-19 and/or orders issued by Governor
3 Inslee, other Governors, and/or other civil authorities and whose Extra Expense claim
4 was denied by OCIC.

5 K. ***Extra Expense Declaratory Relief Class:*** All persons and entities in the
6 United States insured under an OCIC policy with Extra Expense coverage who sought to
7 minimize losses from the suspension of their business at the covered premises in
8 connection with COVID-19 and/or orders issued by Governor Inslee, other Governors,
9 and/or other civil authorities.

10 L. ***Extra Expense Declaratory Relief Washington Subclass:*** All persons
11 and entities in the State of Washington insured under an OCIC policy with Extra
12 Expense coverage who sought to minimize losses from the suspension of their business
13 at the covered premises in connection with COVID-19 and/or orders issued by Governor
14 Inslee, other Governors, and/or other civil authorities.

15 M. ***Civil Authority Breach of Contract Class:*** All persons and entities in the
16 United States insured under an OCIC policy with Civil Authority coverage who suffered
17 a suspension of their practice and/or extra expense at the covered premises related to
18 COVID-19 and/or orders issued by Governor Inslee, other Governors, and/or other civil
19 authorities and whose Civil Authority claim was denied by OCIC.

20 N. ***Civil Authority Breach of Contract Washington Subclass:*** All persons
21 and entities in the State of Washington insured under an OCIC policy with Civil
22 Authority coverage who suffered a suspension of their practice and/or extra expense at
23 the covered premises related to COVID-19 and/or orders issued by Governor Inslee,
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1 other Governors, and/or other civil authorities and whose Civil Authority claim was
2 denied by OCIC.

3 O. **Civil Authority Declaratory Relief Class:** All persons and entities in the
4 United States insured under an OCIC policy with Civil Authority coverage who suffered
5 a suspension of their practice at the covered premises related to COVID-19 and/or orders
6 issued by Governor Inslee, other Governors, and/or other civil authorities.

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8 P. **Civil Authority Declaratory Relief Washington Subclass:** All persons
9 and entities in the State of Washington insured under an OCIC policy with Civil
10 Authority coverage who suffered a suspension of their practice at the covered premises
11 related to COVID-19 and/or orders issued by Governor Inslee, other Governors, and/or
12 other civil authorities.

13 23. Excluded from the Classes and Subclasses are Defendant's officers, directors,
14 and employees; the judicial officers and associated court staff assigned to this case; and the
15 immediate family members of such officers and staff. Plaintiff reserves the right to amend the
16 Class definition based on information obtained in discovery.

17
18 24. This action may properly be maintained on behalf of each proposed Class under
19 the criteria of Rule 23 of the Federal Rules of Civil Procedure.

20 25. **Numerosity:** The members of the Class are so numerous that joinder of all
21 members would be impractical. Plaintiff is informed and believes that the proposed Class
22 contains thousands of members. The precise number of class members can be ascertained
23 through discovery, which will include Defendant's records of policyholders.
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1 26. **Commonality and Predominance:** Common questions of law and fact
2 predominate over any questions affecting only individual members of the Class. Common
3 questions include, but are not limited to, the following:

4 A. Whether the class members suffered covered losses based on common
5 policies issued to members of the Class;

6 B. Whether OCIC acted in a manner common to the class and wrongfully
7 denied claims for coverage relating to COVID-19 and/or orders issued by Governor
8 Inslee, other Governors, and/or other civil authorities;

9 C. Whether Business Income coverage in OCIC's policies of insurance
10 applies to a suspension of practice relating to COVID-19 and/or orders issued by
11 Governor Inslee, other Governors, and/or other civil authorities;

12 D. Whether Extended Business Income coverage in OCIC's policies of
13 insurance applies to a suspension of practice relating to COVID-19 and/or orders issued
14 by Governor Inslee, other Governors, and/or other civil authorities;

15 E. Whether Extra Expense coverage in OCIC's policies of insurance applies
16 to efforts to minimize a loss at the covered premises relating to COVID-19 and/or orders
17 issued by Governor Inslee, other Governors, and/or other civil authorities;

18 F. Whether Civil Authority coverage in OCIC's policies of insurance applies
19 to a suspension of practice relating to COVID-19 and/or orders issued by Governor
20 Inslee, other Governors, and/or civil authorities;

21 G. Whether OCIC has breached its contracts of insurance through a blanket
22 denial of all claims based on business interruption, income loss or closures related to
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1 COVID-19 and/or orders issued by Governor Inslee, other Governors, and/or other civil
2 authorities;

3 H. Whether, because of Defendant's conduct, Plaintiff and the class
4 members have suffered damages; and if so, the appropriate amount thereof; and

5 I. Whether, because of Defendant's conduct, Plaintiff and the class
6 members are entitled to equitable and declaratory relief, and if so, the nature of such
7 relief.
8

9 27. **Typicality:** Plaintiff's claims are typical of the claims of the members of the
10 classes. Plaintiff and all the members of the classes have been injured by the same wrongful
11 practices of Defendant. Plaintiff's claims arise from the same practices and course of conduct
12 that give rise to the claims of the members of the Class and are based on the same legal theories.

13 28. **Adequacy:** Plaintiff will fully and adequately assert and protect the interests of
14 the classes and has retained class counsel who are experienced and qualified in prosecuting class
15 actions. Neither Plaintiff nor its attorneys have any interests contrary to or in conflict with the
16 Class.
17

18 29. **Federal Rule of Civil Procedure 23(b)(1), the Risk of Inconsistent or**
19 **Varying Adjudications and Impairment to Other Class Members' Interests:** Plaintiff seeks
20 adjudication as to the interpretation, and resultant scope, of Defendant's policies, which are
21 common to all members of the class. The prosecution of separate actions by individual members
22 of the classes would risk inconsistent or varying interpretations of those policy terms and create
23 inconsistent standards of conduct for Defendant. The policy interpretations sought by Plaintiff
24 could also impair the ability of absent class members to protect their interests.
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1 30. **Federal Rule of Civil Procedure 23(b)(2), Declaratory and Injunctive Relief:**

2 Defendant acted or refused to act on grounds generally applicable to Plaintiff and other
3 members of the proposed classes making injunctive relief and declaratory relief appropriate on a
4 classwide basis.

5 31. **Federal Rule of Civil Procedure 23(b)(3), Superiority:** A class action is

6 superior to all other available methods of the fair and efficient adjudication of this lawsuit.

7 While the aggregate damages sustained by the classes are likely to be in the millions of dollars,
8 the individual damages incurred by each class member may be too small to warrant the expense
9 of individual suits. Individual litigation creates a risk of inconsistent and/or contradictory

10 decisions and the court system would be unduly burdened by individual litigation of such cases.
11 A class action would result in a unified adjudication, with the benefits of economies of scale and
12 supervision by a single court.
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14 **VI. CAUSES OF ACTION**

15 **Count One—Declaratory Judgment**

16 ***(Brought on behalf of the Business Income Coverage Declaratory Relief Class,
17 Business Income Coverage Declaratory Relief Washington Subclass, Extended Business
18 Income Declaratory Relief Class, Extended Business Income Declaratory Relief Washington
19 Subclass, Civil Authority Declaratory Relief Class, Civil Authority Declaratory Relief
20 Washington Subclass, Extra Expense Declaratory Relief Class, and Extra Expense
Declaratory Relief Washington Subclass)***

21 32. Previous paragraphs alleged are incorporated herein.

22 33. This is a cause of action for declaratory judgment pursuant to the Declaratory
23 Judgment Act, codified at 28 U.S.C. § 2201.

24 34. Plaintiff Pacific Endodontics, P.S., brings this cause of action on behalf of the
25 Business Income Coverage Declaratory Relief Class, Business Income Coverage Declaratory
26 Relief Washington Subclass, Extended Business Income Declaratory Relief Class, Extended

1 Business Income Declaratory Relief Washington Subclass, Civil Authority Declaratory Relief
2 Class, Civil Authority Declaratory Relief Washington Subclass, Extra Expense Declaratory
3 Relief Class, and Extra Expense Declaratory Relief Washington Subclass.

4 35. Plaintiff Pacific Endodontics, P.S., seeks a declaratory judgment declaring that
5 Plaintiff Pacific Endodontics' and class members' losses and expenses resulting from the
6 interruption of their business are covered by the Policy.

7
8 36. Plaintiff Pacific Endodontics, P.S., seeks a declaratory judgment declaring that
9 Liberty Mutual is responsible for timely and fully paying all such claims.

10 **Count Two—Breach of Contract**

11 *(Brought on behalf of the Business Income Coverage Breach of Contract Class,*
12 *Business Income Coverage Breach of Contract Washington Subclass, Extended*
13 *Business Income Breach of Contract Class, Extended Business Income Breach of*
14 *Contract Washington Subclass, Civil Authority Breach of Contract Class, Civil*
Authority Breach of Contract Washington Subclass, Extra Expense Breach of
Contract Class, and Extra Expense Breach of Contract Washington Subclass)

15 37. Previous paragraphs alleged are incorporated herein.

16 38. Plaintiff Pacific Endodontics, P.S., brings this cause of action on behalf of the
17 Business Income Coverage Breach of Contract Class, Business Income Coverage Breach of
18 Contract Washington Subclass, Extended Business Income Breach of Contract Class, Extended
19 Business Income Breach of Contract Washington Subclass, Civil Authority Breach of Contract
20 Class, Civil Authority Breach of Contract Washington Subclass, Extra Expense Breach of
21 Contract Class, and Extra Expense Breach of Contract Washington Subclass.
22

23 39. The Policy is a contract under which Plaintiff Pacific Endodontics, P.S., and the
24 class paid premiums to OCIC in exchange for OCIC's promise to pay Plaintiff Pacific
25 Endodontics, P.S., and the class for all claims covered by the Policy.

26 40. Plaintiff Pacific Endodontics, P.S., has paid its insurance premiums.

1 41. Plaintiff submitted a claim to OCIC for the direct physical loss or damage to
2 Plaintiff's property covered under the OCIC policy related to COVID-19 and/or the
3 proclamations and orders; OCIC denied Plaintiff's claim for coverage. On information and
4 belief, OCIC has denied coverage for other similarly situated policyholders.

5 42. Denying coverage for the claim is a breach of the insurance contract.

6 43. Plaintiff Pacific Endodontics, P.S., is harmed by the breach of the insurance
7 contract by OCIC.
8

9 **VII. PRAYER FOR RELIEF**

10 1. A declaratory judgment that the policy or policies cover Plaintiff's losses and
11 expenses resulting from the interruption of the Plaintiff's business related to COVID-19 and/or
12 orders issued by Governor Inslee, other Governors, and/or other authorities.

13 2. A declaratory judgment that the defendant is responsible for timely and fully
14 paying all such losses.

15 3. Damages.

16 4. Pre- and post-judgment interest at the highest allowable rate.

17 5. Reasonable attorney fees and costs.

18 6. Such further and other relief as the Court shall deem appropriate.
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20 **VIII. JURY TRIAL DEMANDED**

21 Plaintiff demands a jury trial on all claims so triable.

22 DATED this 23rd day of April, 2020.
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KELLER ROHRBACK L.L.P.

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By: s/ Lynn L. Sarko

By: s/ Gretchen Freeman Cappio

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