1 ŒĠŦŒĬÆFÆĠĠ ÁJT 2 SOÞ ŐÁÔU WÞVŸ ÙWÚÒÜQJÜÁÔUWÜVÁÔŠÒÜS 3 ÒËZ(ŠÒÖ ÔOTÙÒÁNÁGGTGTEHÍ Î €ËJÁÙÒŒ 4 5 6 7 SUPERIOR COURT OF WASHINGTON IN AND FOR KING COUNTY 8 AKIMOTO & ZHU, DDS, MSD, PLLC; BRET 9 JACOBSON, DDS; CAROL O'BRIEN DDS No. PS, INC; DAVID Y. KIM, DDS; FOUAD 10 FARHAT, DDS, MSD, PLLC; GRAHAM **COMPLAINT** JONES, DDS; GREENE AND EVERETT, 11 PLLC; JENSEN AND BROWN, DDS, PLLC.; 12 JESSIE M. BANKS, DDS AND JESSIE M. BANKS, DDS PLLC; KUNAL WALIA, DDS; 13 JEFFERY AND DAVIES DDS, PLLC; PATRICIA G. BENCA, DDS; PAUL R. 14 SAUVAGE, DDS; THERON BAKER DDS; 15 ROSETO & NGUYEN, PLLC; JOHANN YI DDS PLLC; JOSH WALKER, DDS & 16 STEVEN INABA DDS, PLLC d.b.a. MERIDIAN DENTAL CLINIC; AMATO 17 PLLC; MATTHEW A. BAGNULO, DDS, PS; SHAHRZAD SARRAM, DDS, MSD, PS; 18 ZACHARY P. EHRMANTROUT, DDS; and 19 RESTAURANTS NORTHWEST, INC., 20 Plaintiffs, 21 v. 22 TRAVELERS CASUALTY INSURANCE COMPANY OF AMERICA, an insurance 23 company; and THE CHARTER OAK FIRE INSURANCE COMPANY, an insurance 24 company, 25 Defendants. 26

I. INTRODUCTION

Plaintiffs bring this action for business interruption insurance coverage. Plaintiffs allege as follows based on personal knowledge and information and belief:

II. JURISDICTION

- 1. This Court has original jurisdiction pursuant to RCW 2.08.010 because the actions originate in Washington and the amounts in controversy exceed the jurisdictional threshold.
- 2. This Court has personal jurisdiction over Defendants because Defendants registered to do business in Washington, have sufficient minimum contacts with Washington, and otherwise intentionally avails themselves of the markets within Washington through their business activities, such that the exercise of jurisdiction by this Court is proper pursuant to RCW 48.05.200. Moreover, Plaintiffs' claims arise out of and directly relate to Defendants' contacts with Washington.
- 3. This case is filed within two years of the onset of Plaintiffs' loss, in accordance with the contractual limitation on suit in Plaintiffs' business interruption insurance policies.
- 4. A matter currently on direct review to the Washington Supreme Court, *Hill & Stout PLLC v. Mutual of Enumclaw Insurance Co.*, No. 100211-4 (Wash. review granted Jan. 5, 2022), addresses similar insurance coverage arising from similar facts, similar case theories, and virtually identical insuring language. In light of the pending *Hill & Stout* appeal, Plaintiffs contend this action should be stayed after filing and service until 60 days after the Washington Supreme Court issues a decision in *Hill & Stout*.

III. PARTIES

- 5. Akimoto & Zhu, DDS, MSD, PLLC is insured by defendant Travelers Casualty Insurance Company of America ("Travelers") under Policy # 680-2F691703.
- 6. Bret Jacobson, DDS is insured by Travelers under Policy # 680-9122H807-20-42.
- 7. Carol O'Brien DDS PS, Inc is insured by Travelers under Policy # 680-0L879926-19-42.
 - 8. David Y. Kim, DDS is insured by Travelers under Policy # 680-4B350485-19-42
- 9. Fouad Farhat, DDS, MSD, PLLC is insured by Travelers under Policy # 680-2B369521-20-42.
- 10. Graham Jones, DDS is insured by Travelers under Policy # 680-4B983762-19-42.
- 11. Greene and Everett, PLLC is insured by Travelers under Policy # 680-4J459134-20-42.
- 12. Jensen and Brown, DDS, PLLC is insured by Travelers under Policy # 680-9929P403-20-42.
- 13. Jessie M. Banks, DDS and Jessie M. Banks, DDS PLLC are insured by Travelers under Policy # 680-3D91648A.
 - 14. Kunal Walia, DDS is insured by Travelers under Policy # 680-5499N633.
- 15. Matt Jeffery, DDS and Chase Davies, DDS are insured by Travelers under Policy # 680-3P183097.
- 16. Patricia G. Benca, DDS is insured by Travelers under Policy # 680-8774X269-20-42.

- 17. Paul R. Sauvage, DDS is insured by Travelers under Policy # 680-8192R933.
- 18. Theron Baker DDS is insured by Travelers under Policy # 680-7A301857-19-42.
- 19. Roseto & Nguyen, PLLC are insured by Travelers under Policy # 680-7944H579-20-42.
- 20. Johann Yi DDS PLLC is insured by Travelers under Policy # 680-417M0103-19-42.
- 21. Josh Walker, DDS & Steven Inaba DDS, PLLC d.b.a. Meridian Dental Clinic, is insured by Travelers under Policy # 680-2B00844A.
- 22. LeCuyer Amato PLLC is insured by Travelers under Policy # 680-5P085801-20-42.
- 23. Matthew A. Bagnulo, DDS, PS is insured by Travelers under Policy # 680-95B55977-20-42.
- 24. Shahrzad Sarram, DDS, MSD, PS is insured by Charter Oak under Policy # 680-0296C850-19-42.
- 25. Zachary P. Ehrmantrout, DDS is insured by Charter Oak under Policy # 680-8090C762.
- 26. Restaurants Northwest, Inc. is insured by Travelers Casualty Insurance Company of America under Policy # 680-8D025401.
- 27. Travelers does business in King County, Washington, including selling insurance policies in King County, Washington.
- 28. Charter Oak does business in King County, Washington, including selling insurance policies in King County, Washington.

- 29. Travelers and Charter Oak are both part of the same corporate family of insurers and are referred to collectively herein as "Defendants."
- 30. Each defendant is vicariously liable for the acts and omissions of its respective employees and agents.

IV. NATURE OF THE CASE

- 31. Defendants issued one or more insurance policies to each Plaintiff, including a businessowners policy and related endorsements (collectively, "the Policies"), which provide broad property and business interruption coverage of each Plaintiff's property and business at all relevant times.
- 32. Defendants issued the Policies in Washington covering property situated in Washington.
- 33. The Plaintiffs' business property includes Plaintiffs' business premises and property and equipment owned and/or leased and used for each Plaintiff's specific business activity.
- 34. Defendants promised to pay Plaintiffs for loss of business income because of direct physical loss or damage of property. The Policies do not define the key coverage terms.
- 35. In general, courts have found coverage under business interruption policies when the policyholder has lost the functional use of their business property. This occurred to Plaintiffs.
 - 36. Plaintiffs paid all premiums for the coverage when due.
- 37. Plaintiffs seek all coverage due under their policies, including without limitation Business Income Coverage, Extra Expense Coverage, Extended Business Income Coverage, and Civil Authority Coverage, to whatever extent provided.

- 38. On or about January 2020, the United States of America saw its first cases of persons infected by COVID-19, which has been designated a worldwide pandemic.
- 39. It is now known that COVID-19 spreads through airborne transmission, and, in some cases in conjunction with governmental responses, leads to loss of functional use of business property for ordinary business purposes.
- 40. The first confirmed case of COVID-19 in King County, Washington was noted on January 21, 2020.
- 41. On February 29, 2020, Washington Governor Jay Inslee issued Proclamation 20-5, declaring a State of Emergency for all counties in the State of Washington as the result of COVID-19.
- 42. Thereafter, Governor Inslee issued a series of certain proclamations and orders affecting many persons and businesses in Washington, whether infected with COVID-19 or not, requiring certain public health precautions. Among other things, Governor Inslee's "Stay Home, Stay Healthy" order required the closure of all non-essential businesses, including each of the Plaintiffs' businesses here.
- 43. Issued March 12, 2020, Proclamation 20-08 closed all public and private K-12 schools in King, Pierce, and Snohomish counties. Issued March 13, 2020, Proclamation 20-09 extended the school closure to the entire state.
- 44. Issued March 16, 2020, Proclamation 20-13 closed theaters, gyms, performance venues, dance studios, bowling alleys, and indoor dining at restaurants.
- 45. Proclamation 20-13 prohibited "any number of people from gathering in any public venue in which people congregate for purposes of . . . fitness and other similar activities." The proclamation further prohibits "the operation of public venues in which people congregate

for entertainment, social or recreational purposes, including but not limited to . . . gyms, fitness centers . . . and other similar venues."

- 46. Proclamation 20-13 states that one of the reasons for its restrictions is that "the worldwide COVID-19 pandemic and its progression in Washington State continues to threaten the life and health of our people as well as the economy of Washington State, and remains a public disaster affecting life, health, property, or the public peace."
- 47. The various orders issued in Washington State in connection with the COVID-19 global pandemic led to Plaintiffs' experiencing a loss of functionality of their business property.
- 48. Proclamations 20-05 and 20-13 refer to property damage throughout the State of Washington, including where Plaintiffs' businesses are located.
- 49. Other premises, schools, and businesses in immediate close proximity to each Plaintiff were closed and suffered direct physical loss as a result of these and similar governmental orders.
- 50. As a result of the above, Plaintiffs have experienced and will experience losses covered by the Policies.

V. CAUSES OF ACTION

Count One—Declaratory Judgment

- 51. This is a cause of action for declaratory judgment pursuant to the Uniform Declaratory Judgments Act, RCW 7.24.010 *et seq*.
- 52. Plaintiffs seek a declaratory judgment declaring that losses and expenses resulting from the interruption of their businesses are covered by the Policies Defendants issued to them.

53. Plaintiffs seek a declaratory judgment declaring that Defendants are responsible for timely and fully paying their claims.

Count Two—Breach of Contract

- 54. The Policies issued by Defendants promise to pay Plaintiffs for all claims covered by the Policies.
 - 55. Each Plaintiff has paid its insurance premiums.
- 56. Defendants' failure to provide coverage for the claims is a breach of the insurance contract.
 - 57. Each Plaintiff is harmed by the breach of the insurance contract by their insurer.

VI. REQUEST FOR RELIEF

- 1. A declaratory judgment that the Policies cover Plaintiffs' losses and expenses resulting from the interruption of Plaintiffs' businesses related to COVID-19 and/or orders issued by Governor Inslee, other Governors, and/or other authorities.
- 2. A declaratory judgment that Defendants are responsible for timely and fully paying all such losses.
 - 3. Damages.
 - 4. Pre- and post-judgment interest at the highest allowable rate.
- 5. Attorney fees and costs under *Olympic Steamship Co. v. Centennial Insurance Co.*, 117 Wn.2d 37, 52–53, 811 P.2d 673 (1991), and/or other applicable law.
 - 6. Such further and other relief as the Court shall deem appropriate.

1	DATED this 11th day of March, 2022.
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