

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF KANSAS**

PATRICK B. LILLIS DDS, individually and on  
behalf of all others similarly situated,

Plaintiff,

v.

ASPEN AMERICAN INSURANCE COMPANY,

Defendant.

Case No. 20-cv-2368

COMPLAINT

Class Action

DEMAND FOR JURY TRIAL

**CLASS ACTION COMPLAINT AND DEMAND FOR JURY TRIAL**

Plaintiff Patrick B. Lillis, DDS (“Plaintiff”), individually and on behalf of all others similarly situated, for his Class Action Complaint against Defendant Aspen American Insurance Company (“Defendant”), states and alleges as follows:

**NATURE OF ACTION**

1. According to information published by the Insurance Information Institute, the U.S. insurance industry collected net premiums of \$1.22 trillion in 2018. Premiums recorded by property/casualty insurers accounted for 51% of that amount. Between 2014 and 2018, these insurers wrote net premiums each year of between \$497 billion to \$612.6 billion but only incurred losses of between \$277.7 billion and \$360.9 billion.

2. Plaintiff is a dentist and owner of Overland Park Dental Design, LLC, located at 4601 W 109<sup>th</sup> Street, Suite 318, Overland Park, Kansas. Plaintiff provides a wide range of dental care and procedures using the most current dental technologies and techniques. As a result of COVID-19 and Stay at Home Orders (as defined below), Plaintiff has been forced to greatly reduce his operations.

3. Plaintiff purchased an all-risk commercial property insurance policy from Defendant to protect it in the event of property loss and business interruption. COVID-19 and the

resulting response by state and local governments have caused physical loss of Plaintiff's property and have interrupted Plaintiff's business. Yet, Defendant has refused to honor its promise to provide the protection that Plaintiff purchased.

4. Plaintiff is not unique. The insurance industry appears to be taking a uniform approach to the current pandemic: deny coverage even when the policy they drafted and offered to insureds, and the policy paid for by the insureds, does not contain an exclusion for pandemic- or virus-related losses. Plaintiff's policy with Defendant is one such policy and exemplifies the broken promises of insurance companies across the country.

5. This is a class action for declaratory judgment and breach of contract arising from Defendant's refusal to pay claims related to COVID-19 as required by the property insurance agreements it sold to Plaintiff and other businesses.

6. The novel coronavirus – "severe acute respiratory syndrome coronavirus 2" or "SARS-CoV2" – has spread widely and rapidly across the United States. The illness related to SARS-CoV-2 is "novel coronavirus disease 2019," commonly abbreviated to "COVID-19." Although the virus and related illness are distinct, for purposes of this Complaint, Plaintiff refers to both interchangeably as "COVID-19."

7. More than 147,000 Americans have died of COVID-19 as of the date of this filing, according to the Centers for Disease Control and Prevention ("CDC").

8. A growing body of evidence suggests that the virus transmits both through droplets, when someone sneezes and coughs, and aerosols, which are produced by normal breathing.

9. Aerosols are particularly concerning because unlike droplets, which may be suspended for only a few seconds, aerosols can remain suspended in air for hours, until gravity ultimately forces their descent out of the air and onto a surface.

10. Consequently, aerosols can spread widely through air flow and even settle on surfaces hundreds of feet away from an infected individual. Thus, someone not even in the vicinity of an infected person can unknowingly become infected, including through contact with an infected surface.

11. In an effort to combat the virus and slow the spread of COVID-19, state and local governments across the country imposed directives requiring residents to remain in their homes except to perform certain “essential” activities, like shopping for food, going to see a doctor, or getting fresh air. According to the New York Times, 95% of the United States population has been under one or more state or local directives to stay at home.

12. The state and local directives have typically required businesses deemed “non-essential” to close and in-person work to cease. But even businesses classified as “essential” have been severely impacted by the pandemic. For example, “essential” businesses have had to increase the frequency of cleaning, reduce hours, install new protective barriers between employee and customer, establish new procedures to ensure the protection of their workforce and consumers, and provide personal protective equipment to their workforce and consumers. Nevertheless, many such business have had great difficulty retaining employees who fear becoming infected at work.

13. Plaintiff is based in Johnson County, Kansas, and does business through his dental practice, Overland Park Dental Design, in Overland Park.

14. Johnson County and the State of Kansas issued stay-at-home orders, as did the neighboring City of Kansas City, Missouri, and State of Missouri (hereafter, “Stay at Home Orders”). These Stay at Home Orders caused the suspension of non-essential and essential businesses.

15. At least 42 states and countless local governments and public health departments issued substantially similar directives. The purpose of these orders was to mitigate and slow the spread of COVID-19.

16. The Stay at Home Orders and the transmission of COVID-19 have had a devastating effect on Plaintiff's business. Plaintiff's business was projected to have not less than \$1.4 million in revenue in 2020; however, the Stay at Home Orders and the transmission of COVID-19 resulted in the suspension of Plaintiff's business, which prevented Plaintiff from meeting his revenue projections.

17. Plaintiff has suffered direct physical loss to the property. Ingress and egress to the property has been limited due to the Stay at Home Orders and transmission concerns. And, according to the World Health Organization ("WHO"), the incubation period for COVID-19 can last up to 14 days. During this period (also known as the "pre-symptomatic" period), infected persons can be contagious, and disease transmission can occur before the infected person shows any symptoms or has any reason to believe they are infected.

18. Not only is COVID-19 spread by human-to-human transfer, but the WHO has confirmed COVID-19 can exist on contaminated objects or surfaces.<sup>1</sup> According to a study documented in The New England Journal of Medicine, COVID-19 was detectable in aerosols for up to three hours, up to four hours on copper, up to 24 hours on cardboard, and up to three days on plastic and stainless steel surfaces<sup>2</sup> – all of which are materials used by Plaintiff throughout its

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<sup>1</sup> See <https://www.who.int/news-room/commentaries/detail/modes-of-transmission-of-virus-causing-covid-19-implications-for-ipc-precaution-recommendations> ("[T]ransmission of the COVID-19 virus can occur by direct contact with infected people and indirect contact with surfaces in the immediate environment or with objects used on the infected person").

<sup>2</sup> See <https://www.nih.gov/news-events/news-releases/new-coronavirus-stable-hours-surfaces>; see also <https://www.who.int/news-room/commentaries/detail/modes-of-transmission-of-virus-causing-covid-19-implications-for-ipc-precaution-recommendations>.

facilities and operations. Moreover, the study's results suggest that individuals could become infected with COVID-19 through indirect contact with surfaces or objects used by an infected person, whether they were symptomatic or not.<sup>3</sup>

19. Current evidence shows that the first death from COVID-19 occurred as early as February 6, 2020. This suggests the virus has circulated in the United States far longer than first reported and previously assumed. It is likely customers, employees, and/or other visitors to the insured property were infected with the coronavirus and thereby caused physical loss and damage to the property.

20. The transmission of COVID-19 and Stay at Home Orders have otherwise affected Plaintiff's business. For example, customers either cannot access Plaintiff's property due to the Stay at Home Orders or will not access Plaintiff's property for fear of being infected with or spreading COVID-19. The pandemic, and the Stay at Home and similar orders, have similarly restricted Plaintiff's suppliers.

21. In addition, the spread of COVID-19 has made the insured premises unsuitable for its intended use.

22. But Plaintiff, like countless other small businesses, prepared for an unexpected event like the COVID-19 pandemic. Specifically, Plaintiff purchased property insurance from Defendant, bearing Policy No. D012931-16 (the "Policy"), that did not exclude pandemic coverage. A true and accurate copy of the Policy is attached hereto as Exhibit A.

23. The Policy is comprised of a number of forms and endorsements that define the scope of coverage. Upon information and belief, the forms and endorsements used in Plaintiff's Policy are materially the same as those policies held by the members of the proposed class.

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<sup>3</sup> *Id.*

24. The Policy is an “all-risk” policy meaning It covers “all direct physical damage to covered property ... caused by or resulting from any covered cause of loss.” Exhibit A at 29. As defined by the Policy, “‘Covered Causes of Loss’ means ALL RISK OF DIRECT PHYSICAL LOSS except as excluded or limited” by the Policy (*id.* at 46), and “‘Damage’ means partial or total loss of or damage to” covered property. *Id.* at 47

25. As set forth below, the Policy also provides coverage for:

- a. losses sustained due to the necessary suspension of operations (“Practice Income” coverage) (*id.* at 31);
- b. interruption of business caused by an order from a civil authority (“Civil Authority” coverage) (*id.* at 35);
- c. expenses incurred to minimize suspension of business (“Extra Expense” coverage) (*id.* at 32);
- d. necessary expenses to reduce the amount of damage (“Expenses to Reduce Damage” coverage) (*id.* at 35); and
- e. expenses necessary to protect Covered Property from further damage in the event of a loss (“Sue and Labor” coverage) (*id.* at 50-51).

26. In addition, the Policy requires Plaintiff to “[t]ake all reasonable steps to protect the covered property from further damage” when a loss occurs, which in this instance required Plaintiff to suspend operations to reduce the spread of COVID-19 and further losses occasioned by its spread on Plaintiff’s premises. Exhibit A at 50.

27. On or about May 7, 2020, Plaintiff sought coverage related to COVID-19 and notified Defendant of loss covered by the Policy. In response to Plaintiff’s notice of claim, Defendant has failed to render a coverage decision and requested additional information beyond that required by the Policy to effectuate delay and denial of Plaintiff’s claim. Upon information and belief, Defendant has uniformly refused to pay its insureds under its standard policy for losses

related to COVID-19. Defendant is in breach of its obligations by refusing to provide coverage despite having sufficient information to evaluate and pay the claim.

28. Defendant has caused material harm to Plaintiff and the proposed class by refusing coverage under the Policy.

29. On behalf of himself and the class, Plaintiff seeks to recover compensatory damages for breach of contract, as well as declaratory and injunctive relief.

### **PARTIES**

30. Plaintiff Patrick B. Lillis, DDS, is a citizen and resident of Kansas.

31. Defendant Aspen American Insurance Company, is a Texas corporation, with its principal place of business in Rocky Hill, Connecticut.

### **JURISDICTION AND VENUE**

32. Jurisdiction is proper in this Court pursuant to 28 U.S.C. § 1332(d)(2) because this is a class action in which at least one member of the class is a citizen of a state different from Defendant, the amount in controversy exceeds \$5 million exclusive of interest and costs, and the proposed class contains more than 100 members.

33. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because a substantial portion of the events giving rise to Plaintiff's causes of action occurred in this judicial district and division. The Policy at issue covers Plaintiff's facilities located in the State of Kansas, and Plaintiff purchased the Policy from an insurance broker located in the State of Kansas.

### **FACTUAL BACKGROUND**

34. COVID-19 and the Stay at Home Orders forced Plaintiff to suspend its operations. Plaintiff's facility is located in Overland Park, Johnson County, Kansas. There have been more than 4,800 confirmed cases of COVID-19 in Johnson County, Kansas, as of the date of this filing.

35. Effective at 12:01 a.m. on March 24, 2020, Johnson County, Kansas issued a stay-home order to mitigate the spread of COVID-19 in Johnson County on the basis of a confirmed outbreak and person-to-person spread of COVID-19 in the United States, Kansas, and Johnson County.<sup>4</sup> The Johnson County Order specifically recognized that COVID-19 spreads easily from person to person and may result in serious illness or death. It further identified COVID-19 as a public disaster affecting life, health, *property*, and the public peace. Johnson County issued the Order to mitigate and slow the spread of COVID-19 in the community.

36. Effective at 12:01 a.m. on March 28, 2020, the Kansas Governor issued an executive order establishing a statewide “stay-home” order in conjunction with the Kansas Essential Function Framework for COVID-19 response efforts, superseding the Johnson County Order. The Kansas order directed all Kansans to stay in their homes to slow the spread of COVID-19.<sup>5</sup> The purpose of the Kansas order was to “mitigate the spread of COVID-19 throughout Kansas” as it recognized the confirmed presence of positive cases in 31 counties.<sup>6</sup> On April 16, 2020, the Kansas Order was extended to May 3, 2020.<sup>7</sup>

37. Although the Kansas and Johnson County Orders have been lifted, Plaintiff continues to suffer losses due to COVID-19.

38. At least 42 states and countless local governments have issued substantially similar orders and directives, the purpose of which was to mitigate and slow the spread of COVID-19.

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<sup>4</sup> <https://www.jocogov.org/sites/default/files/documents/CMO/JoCo%20Public%20Health%20Officer%20Stay%20at%20Home%20Order%203-22-20.pdf>

<sup>5</sup> <https://www.coronavirus.kdheks.gov/DocumentCenter/View/873/Essential-Activities-and-Essential-Functions-PDF---4-15-20>

<sup>6</sup> <https://governor.kansas.gov/wp-content/uploads/2020/03/EO20-16.pdf>

<sup>7</sup> <https://www.coronavirus.kdheks.gov/DocumentCenter/View/132/Executive-Order-20-24-Statewide-Stay-Home-Order-PDF---4-16-20>



39. According to the CDC, everyone is at risk of getting COVID-19. The virus can spread by respiratory droplets when an infected person coughs, sneezes, or talks. A person can become infected from respiratory droplets, or even by touching a surface or object that has the virus on it and then by touching the mouth, nose, or eyes.<sup>8</sup> The virus can live on surfaces for several days if not longer.<sup>9</sup>

40. In addition, a number of scientific publications have reported finding COVID-19 in the air. The New England Journal of Medicine reported its finding that experimentally-produced aerosols containing the virus remained infectious in tissue-culture assays, with only a slight reduction in infectivity during a 3-hour period of observations. “Aerosols from infected persons may therefore pose an inhalation threat even at considerable distances and in enclosed spaces....”<sup>10</sup>

41. According to another study published in the New England Journal of Medicine, COVID-19 was detectable in aerosols for up to three hours, up to four hours on copper, up to 24 hours on cardboard, and up to three days on plastic and stainless steel.<sup>11</sup>

42. All of these materials are used by Plaintiff throughout its facilities and operations.

43. The study’s results indicate that individuals can become infected with COVID-19 through indirect contact with surfaces or objects used by an infected person, whether they were symptomatic or not.

44. A consensus appears to be emerging that COVID-19 can travel through the air via aerosols. For example, aerosol scientist Lidia Morawska of the Queensland University of

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<sup>8</sup> <https://www.cdc.gov/coronavirus/2019-ncov/downloads/2019-ncov-factsheet.pdf>

<sup>9</sup> <https://www.cdc.gov/coronavirus/2019-ncov/downloads/2019-ncov-factsheet.pdf>

<sup>10</sup> <https://www.nejm.org/doi/full/10.1056/NEJMc2009324>

<sup>11</sup> <https://www.nih.gov/news-events/news-releases/new-coronavirus-stable-hours-surfaces>

Technology in Brisbane, Australia told *Nature* that, “In the minds of scientists working on this, there’s absolutely no doubt that the virus spreads in the air. This is a no-brainer.”<sup>12</sup>

45. An April 2020 study published in the journal *Emerging Infectious Diseases* found a wide distribution of COVID-19 on surfaces and in the air about 13 feet from patients in two hospital wards in Wuhan, China, leading the authors to conclude that the virus spreads in aerosols in addition to large respiratory droplets. The investigators found evidence of the virus in swabs of floors, computer mice, trash bins, bed handrails, patients’ face masks, health workers’ personal protective equipment, and air vents.<sup>13</sup>

46. The authors also surmised that the high rate of positivity for floor samples in the hospital strongly suggest that droplets fall to the ground and then are spread via patients’ shoes. For example, every sample tested from the pharmacy floor tested positive for COVID-19 even though no patients were housed there.<sup>14</sup>

47. Another study conducted in Wuhan indicates that staff movement, floor cleaning, and the removal of personal protective equipment could transmit the virus through the re-suspension of virus-contaminated aerosols.<sup>15</sup>

48. Kimberly Prather, an aerosol chemist at the University of California, San Diego told *Science* magazine: “I’m relieved to see aerosolization is accepted. This added airborne pathway helps explain why it is spreading so fast.”<sup>16</sup>

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<sup>12</sup> <https://www.nature.com/articles/d41586-020-00974-w>

<sup>13</sup> <https://www.cidrap.umn.edu/news-perspective/2020/04/study-finds-evidence-covid-19-air-hospital-surfaces>

<sup>14</sup> <https://www.cidrap.umn.edu/news-perspective/2020/04/study-finds-evidence-covid-19-air-hospital-surfaces>

<sup>15</sup> <https://www.biorxiv.org/content/10.1101/2020.03.08.982637v1>

<sup>16</sup> <https://www.sciencemag.org/news/2020/04/you-may-be-able-spread-coronavirus-just-breathing-new-report-finds#>

49. Aerosol particles are held in the air by physical and chemical forces. The suspended particles remain for hours or more, depending on factors such as heat and humidity. If virus particles can be suspended in air for more than a few seconds, like, for instance, the measles virus can, then anyone passing through could become infected by an aerosol cloud. And the virus can travel long distances and land on surfaces, only to be stirred back up into the air later by cleaning or other disturbances.

50. The SARS virus that caused a 2003 epidemic is a coronavirus and is similar to COVID-19. As a result, the behavior of SARS during the 2003 epidemic provided evidence about aerosol risk from COVID-19.

51. A 2014 analysis of SARS published in the journal *Clinical Infectious Diseases* investigated a seemingly puzzling outbreak in a Hong Kong apartment complex whose residents had not been in close contact with each other.<sup>17</sup> The study found that “airborne spread was the most likely explanation, and the SARS coronavirus could have spread over a distance of 200 meters,” or about 600 feet.<sup>18</sup>

52. The implications of airborne spread of the virus are extremely serious. Airborne spread means that the virus can travel long distances from any infected person. It can then infect someone who unknowingly walks through a viral cloud. It can also infect someone by settling on a physical surface, which someone touches and later becomes infected. And regardless of the transmission method, the evidence suggests that COVID-19 can be transmitted by shoes even once it reaches the ground.

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<sup>17</sup> <https://academic.oup.com/cid/article/58/5/683/365793>

<sup>18</sup> *Id.*

53. State and local governments have determined that without the stay at home orders, COVID-19 could spread rampant throughout the community.

54. The Stay at Home Orders in and around Plaintiff's place of business also explicitly acknowledge that COVID-19 causes direct physical damage and loss to property:

- a. the Johnson County, Kansas Order stated that COVID-19 "endanger[s] health, safety and welfare of persons and **property** within the border of Johnson County, Kansas" and that it "remains a public disaster affecting life, healthy, **property**, and the public space."<sup>19</sup> (emphasis added);
- b. the City of Kansas City, Missouri, issued Order 20-01 in response to the pandemic, which stated that "the City wishes to employ all means available under the law to protect public life, health, safety and **property** to limit the development, contraction and spread of COVID-19"<sup>20</sup> (emphasis added).

55. In order to protect itself against risks like COVID-19, Plaintiff purchased the Policy from Defendant. The Policy was in effect at the time of the outbreak and remains in effect today. Plaintiff paid all premiums required by the Policy.

56. Plaintiff is the Named Insured under the Policy, which remains in force.

57. Defendant is the effective and liable insurer of the Policy and policies meeting the class definition.

58. Generally, under property insurance policies like those issued by Defendant to Plaintiff and class members, the insuring agreements provide coverage for all risks of physical loss or damage to property, unless specifically excluded.

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<sup>19</sup> <https://www.jocogov.org/sites/default/files/documents/CMO/JoCo%20Public%20Health%20Officer%20Stay%20at%20Home%20Order%203-22-20.pdf>

<sup>20</sup> [http://mediaassets.kshb.com/NWT/Sam/Mayor%20Lucas%20Stay%20at%20Home%20Order.pdf?\\_ga=2.87564241.83785035.1587504680-1549958454.1581544124](http://mediaassets.kshb.com/NWT/Sam/Mayor%20Lucas%20Stay%20at%20Home%20Order.pdf?_ga=2.87564241.83785035.1587504680-1549958454.1581544124)

59. The Policy is an “all-risk” policy meaning It covers “all direct physical damage to covered property ... caused by or resulting from any covered cause of loss.” Exhibit A at 29. As defined by the Policy, “‘Covered Causes of Loss’ means ALL RISK OF DIRECT PHYSICAL LOSS except as excluded or limited” by the Policy (*id.* at 46), and “‘Damage’ means partial or total loss of or damage to” covered property. *Id.* at 47

60. The Policy does not exclude or limit coverage for losses from a virus, like COVID-19, or pandemics.

61. The risk of a virus like COVID-19 was foreseeable to, if not foreseen by, insurance companies like the Defendant. The Insurance Services Office (“ISO”), an organization that provides policy writing services to insurers, has recognized for years that a virus can constitute physical damage to property. Specifically, in 2006, it announced the submission of an exclusion of loss “due to disease-causing agents such as viruses and bacteria.”

62. In connection with circulating the virus exclusion, it sent the following statement to state insurance regulators:

Disease-causing agents may render a product impure (change its quality or substance), or enable the spread of disease by their presence on interior building surfaces or the surfaces of personal property. When disease-causing viral or bacterial contamination occurs, potential claims involve the cost of replacement of property (for example, the milk), cost of decontamination (for example, interior building surfaces), and business interruption (time element) losses. Although building and personal property could arguably become contaminated (often temporarily) by such viruses and bacteria, the nature of the property itself would have a bearing on whether there is actual property damage. An allegation of property damage may be a point of disagreement in a particular case.

63. Despite the availability of a specific exclusion for viruses, Plaintiff’s Policy contains no such exclusion. Nor does Plaintiff’s Policy contain an exclusion for “pandemics,” “communicable disease,” or anything similar.

64. Because damage due to viruses constitutes physical damage and loss under the Policy, and the Stay at Home Orders have caused Plaintiff to have lost the use of its premises for their intended purpose, Plaintiff's losses are covered under the Policy. Moreover, to mitigate further losses, as required by the Policy, Plaintiff suspended operations when officials announced that COVID-19 posed a risk of causing further physical damage and loss.

65. The Policy provides coverage for several different types of losses arising from COVID-19 that are relevant here through specific Coverage Extensions:

66. Defendant is obligated to pay for actual loss of "**practice income**" sustained due to the necessary suspension of Plaintiff's practice caused by direct physical damage "caused by or resulting from a **covered cause of loss.**" Exhibit A at 31. "Practice Income" means net income (net profit or loss before income taxes) that would have been earned or incurred, as well as continuing normal operating expenses, including payroll. *Id.* at 48. Coverage lasts during the "period of restoration" – beginning "24 hours immediately following" the direct loss and running through the date when the property should be repaired, rebuilt or replaced. *Id.* Plaintiff has suffered lost Practice Income because it suspended operations of its business due to COVID-19.

67. Defendant also agreed to provide coverage from an interruption to business caused by an order from a "**Civil Authority.**" Exhibit A at 35. Specifically, Defendant agreed to "pay for the actual loss of **practice income**" that Plaintiff sustained "caused by action of civil authority that prohibits access to" Plaintiff's premises "due to the direct physical damage to property, other than" Plaintiff's premises, "caused by or resulting from any **covered cause of loss.**" *Id.* Access was restricted to Plaintiff's premises due to the presence and threat of COVID-19 in the immediate surrounding areas and related Stay-at-Home Orders.

68. Defendant also agreed to pay for “**Extra Expense.**” Exhibit A at 32. Extra Expenses are expenses “necessarily incurred ... during the **period of restoration** to continue normal services and operations which are interrupted due to **damage** by a **covered cause of loss.**” *Id.* Plaintiff has suffered Extra Expenses because it suspended operations due to COVID-19 to prevent physical damages to the premises by the presence or proliferation of the virus and the physical harm it could cause persons present there.

69. The Policy also provides coverage for “**Expenses to Reduce Damage,**” pursuant to which Defendant agreed to pay any necessary expenses incurred to “reduce the amount of **damage.**” Exhibit A at 35. Plaintiff has incurred expenses to reduce damage to its premises, because it suspended operations due to COVID-19 to prevent physical damage to the premises by the presence or proliferation of the virus and the physical harm it could cause persons present there.

70. Finally, the Policy also provides “**Sue and Labor**” coverage, which requires the insured to “[t]ake all reasonable steps to protect the covered property from further **damage** by a **covered cause of loss,**” and “keep a record of your expenses for emergency and temporary repairs, for consideration in settlement of the claim” in the event of a loss or damage. Exhibit A at 50-51. Plaintiff has taken such steps by, for example, complying with the Stay-at-Home Orders.

71. Losses caused by COVID-19 and the related state and local Stay at Home Orders triggered these provisions of Defendant’s Policy. Specifically, Plaintiff’s operations were suspended, and it lost revenue and business opportunities because it was unable to provide dental services on its premises.

72. Plaintiff submitted a claim to Defendant for coverage under the Policy, but Defendant has either denied Plaintiff’s claim or requested information not required to evaluate the claim in order to effectuate delay and denial.

**CLASS ACTION ALLEGATIONS**

73. Pursuant to Federal Rules of Civil Procedure 23(a), 23(b)(1), 23(b)(2), 23(b)(3) and/or 23(c)(4), Plaintiff brings this action on behalf of himself and all others similarly situated, and seeks to represent the following nationwide classes:

- a. **Nationwide Declaratory Judgment and Injunctive Class.** All businesses subject to a Stay at Home Order that are covered by one of the Defendant's policies which contains **Practice Income, Civil Authority, Extra Expense, Expenses to Reduce Damage,** and/or **Sue and Labor** coverage on terms similar to the Plaintiff's policy ("Policies") which were in effect during the COVID-19 pandemic.
- b. **Nationwide Breach Class.** All policyholders of Defendant who made a claim and were denied coverage under one of Defendant's Policies due to COVID-19.
- c. **Kansas Subclass.** All policyholders who purchased one of Defendant's Policies in Kansas and were denied coverage due to COVID-19.

Excluded from the Class is the Defendant, any entity in which the Defendant has a controlling interest, any of the officers, directors, or employees of the Defendant, the legal representatives, heirs, successors, and assigns of the Defendant, anyone employed with Plaintiff's counsel's firms, and any Judge to whom this case is assigned, and his or his immediate family.

74. Plaintiff's Classes satisfy the numerosity, commonality, typicality, adequacy, and superiority requirements of a class action under Rule 23, as set forth more fully herein.

75. **Numerosity.** COVID-19 has impacted thousands of businesses across the country and Defendant is a nationwide insurer with, on information and belief, hundreds or more policies



issued with the relevant provisions. Consequently, the Classes each number in at least the hundreds and most likely thousands, and thus the numerosity standard is satisfied. Moreover, because the members of the Classes are geographically dispersed across the country, and members of the Kansas Subclass are geographically dispersed across the state, if not elsewhere, joinder of all Class members in a single action is impracticable. Class members and Kansas Subclass members may be informed of the pendency of this class action through direct mail or other means based on Defendant's records of its policyholders.

76. **Commonality.** There are questions of fact and law common to the Classes that predominate over any questions affecting only individual members. The questions of law and fact common to the Class arising from Defendant's actions include, without limitation, the following:

- a. Do the Policies cover losses resulting from the COVID-19 pandemic?
- b. Do the Policies cover losses resulting from state and local Stay At Home Orders requiring the suspension or reduction in business?
- c. Has Defendant wrongfully denied claims for business losses resulting from COVID-19 and/or the Stay at Home Orders?
- d. Does the **Practice Income** coverage of the Policies cover losses caused by suspension of business due to COVID-19 and/or the Stay-at-Home Orders?
- e. Does the **Civil Authority** coverage of the Policies cover losses caused by suspension of business due to Stay-at-Home Orders issued by state and local governments?
- f. Does the **Extra Expense** coverage of the Policies cover losses incurred to minimize the harm to Plaintiff and members of the Class' premises because of COVID-19 and/or the Stay-at-Home Orders?
- g. Does the **Expenses to Reduce Damage** coverage of the Policies cover losses incurred to minimize the harm to Plaintiff and members of the Class' premises because of COVID-19 and/or the Stay-at-Home Orders?
- h. Does the **Sue and Labor** coverage of the Policies cover losses caused by suspension in business due to COVID-19 and/or the Stay-at-Home Orders?

- i. Has Defendant breached its Policies by refusing to cover COVID-19 related losses?
- j. Are Class members entitled to reasonable attorneys' fees and expenses?

77. **Predominance.** The questions set forth above predominate over any questions affecting only individual persons, and a class action is superior with respect to considerations of consistency, economy, efficiency, fairness, and equity to other available methods for the fair and efficient adjudication of the claims asserted herein. Specifically, thousands of business are impacted by Defendant's denial of coverage for COVID-19 losses and their claims arise from a common factual predicate, which is the nationwide shutdown and suspension of activities due to the virus.

78. **Typicality.** Plaintiff's claims are typical of those of the Classes as Plaintiff was subject to the same or similar policy provisions and the losses for all members relate to COVID-19 and the related closure orders and the claims arise from the same legal theories.

79. **Superiority.** A class action is the appropriate method for the fair and efficient adjudication of this controversy. Defendant has acted or refused to act on grounds generally applicable to the Class and Kansas Subclass. The presentation of separate actions by individual Class members and Kansas Subclass members would create a risk of inconsistent and varying adjudications, establish incompatible standards of conduct for Defendant, and/or substantially impair or impede the ability of Class members to protect their interests.

80. **Adequacy.** Plaintiff is an adequate representative of the Class and Kansas Subclass because he is a member of the Class and his interests do not conflict with the interests of those he seeks to represent. The interests of the Class members will be fairly and adequately protected by Plaintiff and its counsel, who have extensive experience prosecuting complex class litigation.

81. **Declaratory Relief and certification under Rule 23(b)(2) of the Federal Rules of Civil Procedure.** On information and belief, Defendant has refused, or intends to refuse, coverage due to COVID-19 business interruption and other covered losses for all, or most, policyholders with covered Policies and final injunctive and/or declaratory relief mandating that Defendant cover the losses of Class members is appropriate respecting the class as a whole.

82. **Issue Class and Modification of Class Definitions and Creation of Subclasses.** In the alternative, Plaintiff reserves the right to seek certification of one or more common issues pursuant to Rule 23(c)(4). In addition, Plaintiff reserves the right to modify the definitions of the class and/or create subclasses either by amendment to the complaint or by motion for class certification, including but not limited to subclasses for policyholders with each of the following Policy provisions: **Practice Income, Civil Authority, Extra Expense, Expenses to Reduce Damage** and/or **Sue and Labor** and/or other subclasses as may be appropriate or necessary.

**COUNT I: DECLARATORY AND INJUNCTIVE RELIEF – PRACTICE INCOME**  
**(On behalf of Nationwide Declaratory Judgment and**  
**Injunctive Class and Kansas Subclass)**

83. The preceding paragraphs are incorporated by reference as if fully alleged herein.

84. The Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, allows this Court to declare the rights and other legal relations of the parties to this dispute.

85. An actual controversy has arisen and now exists between Plaintiff and the class, on the one hand, and Defendant, on the other hand, concerning the respective rights and duties of the parties under the Policies.

86. Plaintiff contends that Defendant has breached the Policies in the following respects:

- a. Plaintiff and the class have suffered losses covered by the Practice Income coverage in the Policies.

- b. Defendant is obligated to pay Plaintiff and the class for those losses.
- c. Defendant has failed to pay Plaintiff and the class for those losses.

87. Plaintiff therefore seeks a declaration of the parties' respective rights and duties under the Policies and requests the Court declare the aforementioned conduct of Defendant unlawful and in material breach of the policies so that future controversies may be avoided.

88. Pursuant to a declaration of the parties' respective rights and duties under the policies, Plaintiff further seeks an injunction enjoining Defendant (1) from continuing to engage in conduct in breach of the Policies in regards to coverage decisions under the Practice Income provisions of the Policies; and (2) ordering Defendant to comply with the terms of the Policies in regards to coverage decisions.

**COUNT II: BREACH OF CONTRACT – PRACTICE INCOME**  
**(On behalf of Nationwide Breach Class and Kansas Subclass)**

89. The preceding paragraphs are incorporated by reference as if fully alleged herein.

90. Plaintiff and the class purchased property coverage policies from Defendant.

91. The Policies are valid and enforceable contracts between the Defendant and Plaintiff and class members.

92. Plaintiff and the class substantially performed their obligations under the terms of the Policies including giving Defendant notice of their claims. Alternatively, Defendant has waived any terms or conditions of coverage and may not assert any term or condition in the Policies as a defense to liability.

93. Plaintiff and the class have sustained losses under the Practice Income coverage in the Policies arising from COVID-19 and associated state and local Stay at Home orders.

94. Defendant has not agreed to pay the claim for Practice Income or requested a proof of loss and denied coverage.

95. Defendant has denied claims for Practice Income related to COVID-19 on a uniform and class-wide basis, in breach of the Policies.

96. As a direct and proximate result of Defendant's breaches, Plaintiff and the class have sustained damages in an amount to be determined at trial.

**COUNT III: DECLARATORY AND INJUNCTIVE RELIEF – CIVIL AUTHORITY**  
**(On behalf of Nationwide Declaratory Judgment and  
Injunctive Class and Kansas Subclass)**

97. The preceding paragraphs are incorporated by reference as if fully alleged herein.

98. The Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, allows this Court to declare the rights and other legal relations of the parties to this dispute.

99. An actual controversy has arisen and now exists between Plaintiff and the class, on the one hand, and Defendant, on the other hand, concerning the respective rights and duties of the parties under the Policies.

100. Plaintiff contends that Defendant has breached the Policies in the following respects:

- a. Plaintiff and the class have suffered losses covered by the Civil Authority coverage in the Policies.
- b. Defendant is obligated to pay Plaintiff and the class for those losses.
- c. Defendant has failed to pay Plaintiff and the class for those losses.

101. Plaintiff therefore seeks a declaration of the parties' respective rights and duties under the Policies and requests the Court declare the aforementioned conduct of Defendant unlawful and in material breach of the Policies so that future controversies may be avoided.

102. Pursuant to a declaration of the parties' respective rights and duties under the policies, Plaintiff further seeks an injunction enjoining Defendant (1) from continuing to engage in conduct in breach of the Policies in regards to coverage decisions under the Civil Authority

coverage in the Policies; and (2) ordering Defendant to comply with the terms of the Policies in regards to coverage decisions.

**COUNT IV: BREACH OF CONTRACT – CIVIL AUTHORITY**  
**(On behalf of Nationwide Breach Class and Kansas Subclass)**

103. The preceding paragraphs are incorporated by reference as if fully alleged herein.

104. Plaintiff and the class purchased property coverage policies from Defendant.

105. The Policies are valid and enforceable contracts between the Defendant and Plaintiff and class members.

106. Plaintiff and the class substantially performed their obligations under the terms of the Policies including giving Defendant notice of their claims. Alternatively, Defendant has waived any terms or conditions of coverage and may not assert any term or condition in the Policy as a defense to liability.

107. Plaintiff and the class have sustained a loss under the Civil Authority coverage in the Policies arising from COVID-19 and associated state and local Stay-at-Home orders.

108. Defendant has not agreed to pay the claims for Civil Authority coverage or requested a proof of loss and denied coverage.

109. Defendant has denied claims for recovery under the Civil Authority coverage in the Policies related to COVID-19 and the Stay at Home Orders on a uniform and class-wide basis, in breach of the Policies.

110. As a direct and proximate result of Defendant's breaches, Plaintiff and the class have sustained damages in an amount to be determined at trial.

**COUNT V: DECLARATORY AND INJUNCTIVE RELIEF – EXTRA EXPENSE**  
**(On behalf of Nationwide Declaratory Judgment and Injunctive Class and Kansas Subclass)**

111. The preceding paragraphs are incorporated by reference as if fully alleged herein.

112. The Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, allows this Court to declare the rights and other legal relations of the parties to this dispute.

113. An actual controversy has arisen and now exists between Plaintiff and the class, on the one hand, and Defendant, on the other hand, concerning the respective rights and duties of the parties under the Policies.

114. Plaintiff contends that Defendant has breached the Policies in the following respects:

- a. Plaintiff and the class have suffered losses covered by the Extra Expense coverage in the Policies.
- b. Defendant is obligated to pay Plaintiff and the class for those losses.
- c. Defendant has failed to pay Plaintiff and the class for those losses.

115. Plaintiff therefore seeks a declaration of the parties' respective rights and duties under the Policies and requests the Court declare the aforementioned conduct of Defendant unlawful and in material breach of the policies so that future controversies may be avoided.

116. Pursuant to a declaration of the parties' respective rights and duties under the policies, Plaintiff further seeks an injunction enjoining Defendant (1) from continuing to engage in conduct in breach of the Policies in regards to coverage decisions under the Extra Expense coverage in the Policies; and (2) ordering Defendant to comply with the terms of the Policies in regards to coverage decisions.

**COUNT VI: BREACH OF CONTRACT – EXTRA EXPENSE**  
**(On behalf of Nationwide Breach Class and Kansas Subclass)**

117. The preceding paragraphs are incorporated by reference as if fully alleged herein.

118. Plaintiff and the class purchased property coverage policies from Defendant.

119. The Policies are valid and enforceable contracts between the Defendant and Plaintiff and class members.

120. Plaintiff and the class substantially performed their obligations under the terms of the Policies including giving Defendant notice of their claims. Alternatively, Defendant has waived any terms or conditions of coverage and may not assert any term or condition in the Policy as a defense to liability.

121. Plaintiff and the class have sustained a loss under the Extra Expense coverage in the Policies arising from COVID-19 and associated state and local Stay-at-Home orders.

122. Defendant has not agreed to pay the claim for Extra Expense or requested a proof of loss and denied the claim.

123. Defendant has denied claims for recovery under the Extra Expense coverage in the Policies related to COVID-19 on a uniform and class-wide basis, in breach of the Policies.

124. As a direct and proximate result of Defendant's breaches, Plaintiff and the class have sustained damages in an amount to be determined at trial.

**COUNT VII: DECLARATORY AND INJUNCTIVE RELIEF – EXPENSES TO REDUCE  
DAMAGE**  
**(On behalf of Nationwide Declaratory Judgment and  
Injunctive Class and Kansas Subclass)**

125. The preceding paragraphs are incorporated by reference as if fully alleged herein.

126. The Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, allows this Court to declare the rights and other legal relations of the parties to this dispute.

127. An actual controversy has arisen and now exists between Plaintiff and the class, on the one hand, and Defendant, on the other hand, concerning the respective rights and duties of the parties under the Policies.



128. Plaintiff contends that Defendant has breached the Policies in the following respects:

- a. Plaintiff and the class have suffered losses covered by the Extra Expenses to Reduce Damage coverage in the Policies.
- b. Defendant is obligated to pay Plaintiff for those losses.
- c. Defendant has breached its obligation to pay the Plaintiff and the class for those losses.

129. Plaintiff therefore seeks a declaration of the parties' respective rights and duties under the Policies and requests the Court declare the aforementioned conduct of Defendant unlawful and in material breach of the policies so that future controversies may be avoided.

130. Pursuant to a declaration of the parties' respective rights and duties under the policies, Plaintiff further seeks an injunction enjoining Defendant (1) from continuing to engage in conduct in breach of the Policies in regards to coverage decisions under the Extra Expenses to Reduce Damage coverage in the Policies; and (2) ordering Defendant to comply with the terms of the Policies in regards to coverage decisions.

**COUNT VIII: BREACH OF CONTRACT – EXTRA EXPENSES TO REDUCE  
DAMAGE**  
**(On behalf of Nationwide Breach Class and Kansas Subclass)**

131. The preceding paragraphs are incorporated by reference as if fully alleged herein.

132. Plaintiff and the class purchased property coverage policies from Defendant.

133. The Policies are valid and enforceable contracts between the Defendant and Plaintiff and class members.

134. Plaintiff and the class substantially performed their obligations under the terms of the Policies including giving Defendant notice of their claims. Alternatively, Defendant has

waived any terms or conditions of coverage and may not assert any term or condition in the Policy as a defense to liability.

135. Plaintiff and the class have sustained a loss under the Extra Expenses to Reduce Damage coverage in the Policies arising from COVID-19 and associated state and local Stay-at-Home orders.

136. Defendant has not agreed to pay the claim under the Extra Expenses to Reduce Damage coverage or requested a proof of loss and denied the claim.

137. Defendant has denied claims for recovery under the Extra Expenses to Reduce Damage coverage related to COVID-19 on a uniform and class-wide basis, in breach of the Policies.

138. As a direct and proximate result of Defendant's breaches, Plaintiff and the class have sustained damages in an amount to be determined at trial.

**COUNT IX: DECLARATORY AND INJUNCTIVE RELIEF – SUE AND LABOR**  
**(On behalf of Nationwide Declaratory Judgment and  
Injunctive Class and Kansas Subclass)**

139. The preceding paragraphs are incorporated by reference as if fully alleged herein.

140. The Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, allows this Court to declare the rights and other legal relations of the parties to this dispute.

141. An actual controversy has arisen and now exists between Plaintiff and the class, on the one hand, and Defendant, on the other hand, concerning the respective rights and duties of the parties under the Policies.

142. Plaintiff contends that Defendant has breached the Policies in the following respects:

- a. Plaintiff and the class have suffered losses covered by the Sue and Labor provision in the Policies.

- b. Defendant is obligated to pay Plaintiff and the class for those losses.
- c. Defendant has not paid for those losses and is in breach.

143. Plaintiff therefore seeks a declaration of the parties' respective rights and duties under the Policies and requests the Court declare the aforementioned conduct of Defendant unlawful and in material breach of the policies so that future controversies may be avoided.

144. Pursuant to a declaration of the parties' respective rights and duties under the policies, Plaintiff further seeks an injunction enjoining Defendant (1) from continuing to engage in conduct in breach of the Policies in regards to coverage decisions under the Sue and Labor provision; and (2) ordering Defendant to comply with the terms of the Policies in regards to coverage decisions.

**COUNT X: BREACH OF CONTRACT – SUE AND LABOR**  
**(On behalf of Nationwide Breach Class and Kansas Subclass)**

145. The preceding paragraphs are incorporated by reference as if fully alleged herein.

146. Plaintiff and the class purchased property coverage policies from Defendant.

147. The Policies are valid and enforceable contracts between the Defendant and Plaintiff and class members.

148. Plaintiff and the class substantially performed their obligations under the terms of the Policies including giving Defendant notice of their claims. Alternatively, Defendant has waived any terms or conditions of coverage and may not assert any term or condition in the Policy as a defense to liability.

149. Plaintiff and the class have sustained a loss covered by the Sue and Labor provision in the Policies arising from COVID-19 and associated state and local Stay at Home orders.

150. Defendant has not agreed to pay the claim under the Sue and Labor provision or requested a proof of loss and denied the claim.

151. Defendant has denied claims for recovery under the Sue and Labor provision related to COVID-19 on a uniform and class-wide basis, in breach of the Policies.

152. As a direct and proximate result of Defendant's breaches, Plaintiff and the class have sustained damages in an amount to be determined at trial.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff, individually and on behalf of all others similarly situated, requests relief and judgment against Defendant as follows:

- a. That the Court enter an order certifying the class, appointing Plaintiff as a representative of the class, appointing Plaintiff's counsel as class counsel, and directing that reasonable notice of this action, as provided by Federal Rule of Civil Procedure 23(c)(2), be given to the class;
- b. For a judgment against Defendant for the causes of action alleged against it;
- c. For compensatory damages in an amount to be proven at trial;
- d. For a declaration that Defendant's conduct as alleged herein is unlawful and in material breach of the Policy;
- e. For appropriate injunctive relief, enjoining Defendant from continuing to engage in conduct related to the breach of the Policy;
- f. For pre-judgment and post-judgment interest at the maximum rate permitted by law;
- g. For Plaintiff's attorney's fees;
- h. For Plaintiff's costs incurred; and
- i. For such other relief in law or equity as the Court deems just and proper.

**DEMAND FOR JURY TRIAL**

Plaintiff hereby demands a trial by jury on all issues so triable.

Date: July 29, 2020

Respectfully submitted,

**MILLER SCHIRGER LLC**

*s/ John J. Schirger*

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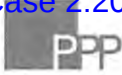
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Email: rlonghofer@sls-law.com

*Attorneys for Plaintiff and the Proposed Classes*

# EXHIBIT A



COMMERCIAL PROPERTY COVERAGE PART

DECLARATIONS

Policy Number	From	Policy Period	To	Coverage Is Provided By
D012931-16	06/16/2019	06/16/2020		Aspen American Insurance Company




Named Insured and Address	National Administrator
Patrick B. Lillis DDS  4601 W 109th Street, STE 318 Overland Park, KS 66211	B & B Protector Plans Inc. P.O. Box 173569 Tampa, FL 33672-3569 State Administrator Goodman Gravley Insurance Source 14812 W. 117th Street, Olathe KS - 66062

Insured Location Address	State	Zip Code
4601 W 109th Street STE #318 Overland Park	KS	66211

Limits of Insurance	Coverage
\$0 Limit of Insurance	Building
0% (Per Quarter) % Inflation Guard Increase	
\$819,120 Limit of Insurance	Blanket Dental Practice Personal Property
.3% (Per Quarter) % Inflation Guard Increase	
\$1000 Deductible Amount	Building & Blanket Dental Practice Personal Property
\$4,000 Limit Per Day	Valued Practice Income
32.5 No. of Days	
12 Months Limit of Time	Actual Loss Sustained Practice Income
\$0 Limit of Insurance	Rents
\$35,000 I. A. - Money/Securities	Employee Dishonesty (Applies Collectively To All Locations)
\$25,000 I. B. - Welfare & Pension Plans	
\$50,000 Basic Coverage	
	Dentist's Electronic Equipment

INCLUDED	Policy Premium
Printed Endorsements Attached At Policy Issuance - See Attached Schedule of Endorsements	

This policy shall not be valid unless countersigned by a duly authorized representative of the company.



 Countersigned By   
 Authorized Representative

President Secretary Issue Date: 04/02/2019 05:00:29 AM Renewal  
 JWILLIAMSO



## **SCHEDULE OF INSURED LOCATIONS**

**NAMED INSURED:** Patrick B. Lillis DDS

**POLICY NUMBER:** D012931-16

**POLICY EFFECTIVE DATE:** 06/16/2019

**POLICY EXPIRATION DATE:** 06/16/2020

**POLICY CHANGE DATE:**

**FORMS AND ENDORSEMENTS MADE PART OF THIS POLICY AT TIME OF ISSUE:**

### **PRIMARY INSURED LOCATION**

4601 W 109th Street  
STE #318  
Overland Park, KS 66211

## SCHEDULE OF NAMED INSUREDS

**NAMED INSURED:** Patrick B. Lillis DDS

**POLICY NUMBER:** D012931-16

**POLICY EFFECTIVE DATE:** 06/16/2019

**POLICY EXPIRATION DATE:** 06/16/2020

**POLICY CHANGE DATE:**

**FORMS AND ENDORSEMENTS MADE PART OF THIS POLICY AT TIME OF ISSUE:**

<b>Named Insured</b>	<b>Class:1A</b>	<b>PL Prior Acts Date</b>	<b>EPLI Prior Acts Date</b>
Patrick B. Lillis DDS	80211	06/16/2004	09/14/2018

## SCHEDULE OF APPLICABLE FORMS

**NAMED INSURED:** Patrick B. Lillis DDS

**POLICY NUMBER:** D012931-16

**FORMS AND ENDORSEMENTS MADE PART OF THIS POLICY AT TIME OF ISSUE:**

ASPDTCO012KS (Ed. 07/17) STATE CANCELLATION PROVISIONS - KANSAS  
ASPCO004 (Ed. 04/05) SCHEDULE OF INSURED LOCATIONS  
ASPCO005 (Ed. 01/06) SCHEDULE OF NAMED INSUREDS  
ASPCO1143 (Ed. 11/16) SCHEDULE OF APPLICABLE FORMS  
ASPDTCO001 (Ed. 01/17) COMMON POLICY CONDITIONS  
ASPDTCO003KS (Ed. 07/17) KANSAS OFAC EXCLUSION ENDORSEMENT  
ASPDTCO004 (Ed. 01/17) TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US  
ASPDTCO009 (Ed. 01/17) DISCLOSURE OF PREMIUM PURSUANT TO TERRORISM RISK INSURANCE ACT  
ASPDTCO014 (Ed. 01/17) ADDITION OF NAMED ENTITY INSURED  
ASPDTCO018KS (Ed. 07/17) KANSAS COMMON CONDITIONS AMENDATORY ENDORSEMENT  
ASPDTCO020 (Ed. 01/17) DEFENDANT'S REIMBURSEMENT COVERAGE  
ASPDTCO027 (Ed. 01/17) CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM  
ASPD TGL001 (Ed. 01/17) GENERAL LIABILITY COVERAGE PART (Occurrence)  
ASPD TGL002 (Ed. 01/17) DISTRIBUTION OR RECORDING OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION ENDORSEMENT  
ASPD TGL004 (Ed. 01/17) ADDITIONAL INSURED LOSS PAYEE (NO CHARGE)  
ASPD TGL007 (Ed. 01/17) ADDITIONAL INSURED - LEASED PREMISES  
ASPD TGL012 (Ed. 03/17) ERISA PUNITIVE DAMAGES EXCLUSION  
ASPD TGL013 (Ed. 01/17) FUNGI / MOLD / MILDEW / YEAST / MICROBE EXCLUSION AND WATER DAMAGE LIMITATION  
ASPD TGL014 (Ed. 01/17) AMENDATORY ENDORSEMENT  
ASPD TGL016 (Ed. 01/17) EXCLUSION - ASBESTOS  
ASPD TGL019 (Ed. 01/17) FIRE WATER DAMAGE LIMIT  
ASPD TGL024 (Ed. 01/17) MEDICAL WASTE LEGAL EXPENSE REIMBURSEMENT COVERAGE  
ASPD TGL025 (Ed. 01/17) MEDICAL PAYMENTS COVERAGE PART  
ASPD TGL026 (Ed. 01/17) NON-OWNED OR HIRED AUTOMOBILE LIABILITY COVERAGE PART  
ASPD TGL027 (Ed. 01/17) BLANKET ADDITIONAL INSURED ENDORSEMENT  
ASPD TGL032 (Ed. 03/17) EXCLUSION SILICIA  
ASPD TGL033 (Ed. 03/17) CGL DECLARATIONS PAGE  
ASPD TGL034 (Ed. 01/17) ERISA FIDUCIARY and EMPLOYEE BENEFITS LIABILITY COVERAGE PART (Claims-Made)  
ASPD TPL001 (Ed. 01/17) PROFESSIONAL LIABILITY COVERAGE PART DENTISTS ORAL SURGEONS CLAIMS-MADE  
ASPD TPL017 (Ed. 01/17) SPECIAL EXTRA EXPENSE COVERAGE ENDORSEMENT (Claims-Made)  
ASPD TPL033 (Ed. 01/17) HIPAA PROCEEDINGS ENDORSEMENT  
ASPD TPL034 (Ed. 01/17) PROTECTED HEALTH INFORMATION/PRIVACY ENDORSEMENT  
ASPD TPL049 (Ed. 01/17) EMPLOYMENT PRACTICES LIABILITY COVERAGE (INDEMNITY AND DEFENSE) ENDORSEMENT

ASPDTP061KS (Ed. 07/17) KANSAS - PRIVACY AND NETWORK SECURITY RISK ENDORSEMENT  
ASPDTP062 (Ed. 03/17) PROFESSIONAL LIABILITY COVERAGE PART DENTISTS ORAL SURGEONS  
DECLARATIONS (CLAIMS-MADE)  
ASPDTP088KS (Ed. 05/17) KANSAS DEFENSE COVERAGE AMENDATORY ENDORSEMENT -  
PROFESSIONAL LIABILITY  
ASPDTP094 (Ed. 09/17) PROFESSIONAL LIABILITY CLAIMS-MADE AMENDATORY ENDORSEMENT  
ASPDTPR001 (Ed. 01/17) BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME  
COVERAGE PART  
ASPDTPR002 (Ed. 01/17) EARTHQUAKE ENDORSEMENT  
ASPDTPR004 (Ed. 02/17) BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME  
DECLARATIONS  
ASPDTPR005KS (Ed. 05/17) KANSAS DENTIST'S EQUIPMENT BREAKDOWN COVERAGE  
ASPDTPR006 (Ed. 01/17) DENTISTS EQUIPMENT BREAKDOWN COVERAGE SCHEDULE  
ASPDTPR007 (Ed. 01/17) FLOOD AND OTHER WATER DAMAGE COVERAGE ENDORSEMENT  
ASPDTPR017 (Ed. 01/17) COMPUTER VIRUS AND SYSTEM PENETRATION EXCLUSION  
ASPDTPR018 (Ed. 01/17) CONCURRENT CAUSATION, EARTH MOVEMENT AND WATER EXCLUSION  
ASPDTPR022 (Ed. 01/17) FUNGI, WET ROT, DRY ROT AND MICROBE EXCLUSION  
ASPDTPR023 (Ed. 01/17) INCREASED LIMITS DENTIST'S ELECTRONIC EQUIPMENT  
ASPDTPR024 (Ed. 01/17) LENDERS LOSS PAYABLE  
ASPDTPR025 (Ed. 01/17) ORDINANCE OR LAW COVERAGE  
ASPDTPR040 (Ed. 01/17) EMPLOYEE DISHONESTY COVERAGE FORM  
ASPDTPR041KS (Ed. 05/17) KANSAS AMENDATORY ENDORSEMENT (PROPERTY)  
ASPDTPR043 (Ed. 01/17) SPOILAGE COVERAGE ENDORSEMENT  
ASPDTPR052 (Ed. 01/17) WELFARE AND PENSION PLAN ERISA COMPLIANCE ENDORSEMENT  
PPP Claims Contacts - Package with EPL  
Professional Corporation



## INSURANCE COVERAGE COMMON POLICY CONDITIONS

### I. POLICY PERIOD; COVERAGE TERRITORY

We are providing insurance under this policy:

- A. beginning at 12:01 A.M. and ending at 12:01 A.M. during the policy period shown on the Declarations; and
- B. including any prior acts period if stated on the Declarations as applicable;
- C. within the **coverage territory**.

### II. YOUR DUTIES AS THE FIRST NAMED ON THE DECLARATIONS

When there are more than one of **you** named in this policy, the first of **you** named, on behalf of all others, will be:

- A. authorized to make changes in the terms of this policy with our consent;
- B. the payee of any premiums we refund;
- C. responsible for:
  - 1. the payment of all premiums due;
  - 2. keeping records of the information we need for premium computation, and sending us copies at such times as we may request; and
  - 3. notifying us that **you** want to cancel this policy.

### III. YOUR DUTIES

If there is a **claim** or **you** reasonably think there will be, **you** must do the following:

- A. notify us and **your** insurance agent in writing as soon as possible;
- B. specify the names and addresses of the injured people and any witnesses. Provide us with information on the time, place and nature of the event;
- C. immediately forward all documents which **you** receive in connection with the **claim** to us;
- D. fully cooperate with us or our designee in the investigation, defense or settlement of any **claim** or the enforcement of any rights of contribution or indemnity against another who may be liable to **you** because of **injury** or **damage**. **You** shall attend hearings and trials, assist in securing and giving evidence, and obtaining the attendance of witnesses; and
- E. refuse, except at **your** own cost to voluntarily make any payment, assume any obligation or incur any expense other than reasonable medical expenses incurred at the time of the event.

### IV. SEPARATION OF INSUREDS

This policy applies separately to each of **you** against whom a **claim** is brought except with respect to:

- A. the limits of liability; and
- B. any of **your** duties as the first named on the Declarations

**V. INSPECTIONS AND SURVEYS**

We have the right but are not obligated to:

- A. make inspections and surveys at any time;
- B. give **you** reports on the conditions we find;
- C. recommend changes; or
- D. conduct loss control and prevention activity.

Any inspections, surveys, reports, or recommendations relate only to insurability and the premiums to be charged. We do not:

- A. make safety inspections;
- B. undertake to perform the duty of any entity to provide for the health and safety of workers or the public; nor
- C. warrant that conditions:
  - 1. are safe or healthful; or
  - 2. comply with laws, regulations, codes or standards.

This provision applies not only to us, but also to any rating, advisory, rate service, or similar organization which makes insurance inspections, surveys, reports, recommendations, or gives loss control or prevention advice.

**VI. EXAMINATION OF YOUR BOOKS AND RECORDS**

We may examine and audit **your** books and records as they relate to this policy and/or any **claim** submitted under this policy, at any time during the policy period and up to 7 years afterward.

**VII. CHANGES/LIBERALIZATION**

Notice to any of our agents or knowledge possessed by any such agent or any other person shall not act as a waiver or change in any part of this policy. It also will not prevent us from asserting any rights under the provisions of this policy. None of the provisions of this policy will be waived, changed or modified except by written endorsement issued to form a part of this policy.

Notwithstanding any terms or conditions of any Coverage Part to the contrary, if we make any revision that would broaden the coverage under any Coverage Part without additional premium within 60 days prior to the policy period shown on the Declarations, or at any time during such policy period, the broadened coverage will immediately apply to such Coverage Part.

**VIII. TRANSFER OF INTEREST**

**You** must first obtain our written consent to transfer or assign this policy. If **you** die, the policy will continue for the remaining part of the policy period; first, for the benefit of **your** legal representative while acting within their duties as such, and second, for the benefit of anyone having proper temporary custody of **your** property until a legal representative is appointed.

#### **IX. CONCEALMENT, MISREPRESENTATION, FRAUD**

This policy is void in any case of fraud by **you** relating to it or to any **claim** submitted under this policy. It is also void if **you** intentionally conceal or misrepresent a material fact or circumstance concerning:

- A. this policy;
- B. any **claim** under this policy;
- C. any covered property; or
- D. **your** interest in the covered property or this insurance.

#### **X. OTHER INSURANCE**

If **you** have other insurance which applies to the loss, the other insurance must pay first. It is the intent of this policy to apply to the amount of loss which is more than the limit of liability of the other insurance. We will not pay more than our limit of liability.

#### **XI. INSURANCE UNDER MORE THAN ONE COVERAGE**

If more than one of this policy's coverages apply to the same **injury** or **damage**, we will not pay more than the limit of liability applicable to the most specifically described coverage, or, the actual amount of the **injury** or **damage**, whichever is less.

#### **XII. TRANSFER OF RIGHTS OF RECOVERY**

If any entity for whom we make payment under this policy has rights to recover amounts from another, those rights are transferred to us to the extent of our payment. That entity must do everything necessary to secure our rights and must do nothing after **injury** or **damage** to impair them.

#### **XIII. LEGAL ACTION LIMITATION**

**You** may not bring any legal action against us concerning this policy until:

- A. **you** have fully complied with all the provisions of this policy; and
- B. the amount of **your** obligation to pay has been decided. Such amount can be set by judgment against **you** after actual trial or by written agreement between **you**, us and the claimant.

Any entity, or their legal representative, is entitled to recover under this policy after they have secured a judgment or written agreement. Recovery is limited to the extent of the insurance afforded by this policy. No entity has any right under this policy to include us in any action against **you** to determine **your** liability, nor will we be brought into such an action by **you** or **your** representative. If **you** or **your** estate becomes bankrupt or insolvent, it does not change any of our obligations under this policy.

#### **XIV. PREMIUM**

All premium charges under this policy will be computed according to our rules and rating plans which apply at the inception of the current policy period. Premiums for this policy are payable to us in advance. They may be paid to us or our authorized representative. The first premium is due on the inception date of the policy.

**You** must keep accurate records of the information we will need to compute **your** premium. **You** agree to send us these records at the end of each policy period, or any other time we request them.

## **XV. NON-RENEWAL**

We can non-renew this policy by giving written notice to the first of **you** named on the Declarations, at **your** last known address, at least 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

## **XVI. CANCELLATION**

This policy can be canceled by either the first of **you** named on the Declarations or us.

**A.** The first of **you** named can cancel this policy at any time. To do so, **you** must:

1. return the policy to us or any of our authorized representatives; or
2. mail a written notice to us, telling when the cancellation is to be effective.

We must receive the policy or written notice before the cancellation date.

**B.** We can cancel this policy by giving written notice to the first of **you** named on the Declarations, at **your** last known address at least:

1. 10 days, if we cancel for non-payment of premium; or
2. 30 days, if we cancel for any other reason;

before the effective date of cancellation.

**C.** Notice of cancellation will state the effective date of cancellation. This policy will end on that date.

**D.** If we cancel, the refund will be pro-rata. If **you** cancel, the refund may be less than pro-rata. The cancellation will be effective even if we have not made or offered a refund.

**E.** If notice is mailed, proof of mailing will be sufficient proof of notice.

## **XVII. YOUR RIGHT TO CLAIM INFORMATION**

We will provide **you** with the following information relating to this and any preceding policy we have issued to **you** during the previous three years:

- A.** A list or other record of each **claim**, not previously reported to any other insurer, of which we were notified in accordance with these policy Conditions. We will include the date and brief description of the **claim** if that information was in the notice we received.
- B.** A summary by policy year, of payments made and amounts reserved, stated separately, for each Aggregate Limit of Liability shown on the Declarations.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

**You** must not disclose this information to any claimant or their representative without our written consent.

If we cancel or elect not to renew this policy for any reason other than non-payment of premium, we will provide such information no later than 30 days before the date of policy termination. In other circumstances, we will provide this information only if we receive a written request from **you** within 60 days after the end of the policy period. In this case, we will provide this information within 45 days of receipt of the request.



We compile **claim** information for our own business purposes and exercise reasonable care in doing so. In providing this information to **you** we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on **your** behalf. Cancellation or non-renewal will be effective even if we inadvertently provide inaccurate information.

## XVIII. DEFINITIONS

If any of the following terms are used in this policy, they will only have the meaning shown.

**"Advertising Injury"** means **injury** arising out of one or more of the following:

**A.** oral or written publication of material that:

1. slanders or libels an entity or disparages an entity's goods, products or services; or
2. violates an entity's right of privacy;

**B.** misappropriation of advertising ideas or style of doing business; or

**C.** infringement of copyright, title or slogan.

**"Anti-trust law"** means those laws listed in:

**A.** Title 15, Section 12, of the United States Code;

**B.** the Federal Trade Commission Act; and

**C.** any similar state law.

**"Auto"** means a land motor vehicle, trailer or semi-trailer designed for use on public roads. Any attached apparatus or machinery is included. Mobile equipment is not included.

**"Claim Expenses"** means:

**A.** fees charged by an attorney we designate; and

**B.** all other fees, costs and expenses which result from the investigation, adjustment, defense and appeal of a **claim**.

These expenses must be incurred by us or by **you** with our prior written consent.

**"Claim Expenses"** does not include:

**A.** salary charges of our regular employees or Company officials; or

**B.** fees and expenses of independent adjusters.

**"Coverage Territory"** means:

**A.** the United States of America, including its territories and possessions;

**B.** Puerto Rico; and

**C.** Canada.

**"Hazardous Properties"** includes radioactive, toxic or explosive properties.

**"Hostile Fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.

**"Impaired Property"** means tangible property other than **your product** or **your work** that cannot be used or is less useful because:

- A. it incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
- B. **you** have failed to fulfill the terms of a contract or agreement;
- C. if such property can be restored to use by:
  - 1. the repair, replacement, adjustment or removal of **your product** or **your work**; or
  - 2. **your** fulfilling the terms of the contract or agreement.

**"Injury"** means bodily **injury**, sickness, disease, mental or emotional distress sustained by a person. Also included is death at any time as a result.

**"Insured Contract"** means:

- A. a lease of premises;
- B. a sidetrack agreement;
- C. an easement or license agreement except in connection with construction or demolition operations on or within 50 feet of a railroad;
- D. an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality.
- E. an elevator maintenance agreement; or
- F. the part of any other contract or agreement pertaining to **your** business, including an indemnification of a municipality in connection with work performed for a municipality, under which **you** assume the tort liability of another party to pay for **injury** or **damage** to a third party if the contract or agreement is made prior to the **injury** or **damage**.

**"Insured Contract"** does not mean that part of any contract or agreement:

- A. that indemnifies an entity for **injury** or **damage** arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing;
- B. that indemnifies an architect, engineer or surveyor for **injury** or **damage** arising out of:
  - 1. preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
  - 2. giving directions or instructions, or failing to give them, if that is the primary cause of the **injury** or **damage**;
- C. under which **you**, if an architect, engineer or surveyor, assumes liability for an **injury** or **damage** arising out of **your** rendering or failure to render professional services, including those listed above and supervisory, inspection or engineering services; or
- D. that indemnifies any entity for damage by fire to premises rented or loaned to **you**.

**"Loading or unloading"** means the handling of property:

- A. after it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or **auto**;

- B. while it is in or on an aircraft, watercraft or **auto**; or
- C. while it is being moved from an aircraft, watercraft or **auto** to the place where it is finally delivered.

**"Loading or unloading"** does not mean the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or **auto**.

**"Mobile Equipment"** means any land vehicles, including any attached machinery or equipment:

- A. designed for use primarily off public roads;
- B. maintained for use solely on or next to premises **you** own or rent;
- C. that travels on crawler treads;
- D. maintained primarily to provide mobility to:
  - 1. road construction or resurfacing, or other construction equipment, whether or not self-propelled; or
  - 2. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment, or devices used to raise or lower workers, if not self-propelled; or
- E. not described in A. through D.1 maintained primarily for purposes other than to carry persons or cargo.

**"Mobile Equipment"** does not mean self-propelled vehicles:

- A. described in subparagraph D.2 of the definition of mobile equipment; nor
- B. equipment designed primarily for:
  - 1. snow removal;
  - 2. road maintenance, other than construction or resurfacing; or
  - 3. street cleaning;

**"Named Insured"** means the entity named on the Declarations of this policy as the **named insured**.

**"Non-owned Auto"** means an **auto** not owned, registered, hired, leased or loaned to **you**.

**"Nuclear Facility"** means:

- A. any **nuclear reactor**;
- B. any equipment or device designed or used for:
  - 1. separating the isotopes of uranium or plutonium,
  - 2. processing or utilizing spent fuel, or
  - 3. handling, processing or packaging **waste**;
- C. any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in **your** custody at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- D. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**.

**Nuclear Facility** also includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

**"Nuclear Reactor"** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

With respect to **injury** to or destruction of property, the word **injury** or "destruction" includes all forms of radioactive contamination of property or loss of use.

**"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and **waste**. **Waste** includes materials to be recycled, reconditioned or reclaimed.

**"Pollution"** means the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**;

**A.** at or from any premises, site or location;

1. which is or was at any time:

a. owned, occupied, rented or loaned to **you**; or

b. used by or for any of **you** or others for the handling, storage, disposal, processing or treatment of **waste**.

2. on which any of **you** or any contractors or subcontractors working directly or indirectly on **your** behalf are performing operations:

a. if the **pollutants** are brought on or to the premises, site or location in connection with such operations by **you**, any contractor or subcontractor; or

b. if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to , or assess the effects of **pollutants**;

**B.** which are or were at any time transported, handled, stored, treated, disposed of, or processed as **waste** by or for any of **you** or anyone for which **you** may be legally responsible.

**"Pollution"** does not mean heat, smoke or fumes from a **hostile fire**.

**"Products/Completed Operations Hazard"** means **injury** or **damage** that happens away from premises **you** own or rent and arising out of **your products** or **your work**, except:

**A.** products that are still in **your** physical possession; or

**B.** work that has not yet been completed or abandoned.

**"Source Material"**, **"Special Nuclear Material"**, and **"By-product Material"** have the meanings given them in the Atomic Energy Act of 1954 or any of its amendments.

**"Spent fuel"** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.

**"Tort liability"** means a liability that would be imposed by law in the absence of any contract or agreement.

**"Waste"** means any **waste** material:

**A.** containing **by-product material** other than the tailings or **wastes** produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content; and

- B. resulting from the operation by an entity of any **nuclear facility** included under the first two paragraphs of the definition of **nuclear facility**.

**"Your Premises"** means

- A. the location described on the Declarations of this policy;
- B. any additional premises, used for business purposes, which may become insured under this policy, up to a maximum of 30 days; or
- C. approaches immediately adjoining such premises.

**"Your product"** means:

- A. any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by;
  - 1. **you**;
  - 2. others trading under **your** name; or
  - 3. an entity whose business or assets **you** have acquired; and
- B. containers, other than vehicles, materials, parts, or equipment furnished in connection with such goods or products;
- C. warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items listed above; or
- D. the providing of or failure to provide warnings or instructions.

**"Your product"** does not include vending machines or other property rented to or located for the use of others but not sold.

**"Your work"** means:

- A. work or operations performed by **you** or on **your** behalf; and
- B. materials, parts or equipment furnished in connection with such work or operations;
- C. warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items listed above; or
- D. the providing of or failure to provide warnings or instructions.

**"Your work"** will be considered completed, when, at the earliest of the following times:

- A. all of the work called for in **your** contract has been completed;
- B. all of the work to be done at the site has been completed if **your** contract calls for work at more than one site; or
- C. that part of the work to be done at a job site has been put to its intended use by any entity other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

This hazard does not include **injury** or **damage** arising out of:

- A. the transportation of property, unless the **injury** or **damage** arises out of a condition in or on a vehicle created by its **loading or unloading**;
- B. the existence of tools, uninstalled equipment or abandoned or unused materials; or
- C. products or operations for which the classification in this Coverage Part or in our manual of rules includes products or completed operations.

#### **XIV. ENTIRE CONTRACT**

By acceptance of this policy, **you** agree that the statements in the Declarations and Application are **your** agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between **you** and us. For the purposes of this Condition, **you** or **your** shall have the same meaning given to such term in any applicable Coverage Form or Coverage Part.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS  
CONTROL ("OFAC") EXCLUSION - KANSAS**

In consideration of the premium paid, the policy is modified by adding the following exclusion:

**ECONOMIC AND TRADE SANCTIONS**

- A.** This policy shall not cover any **injury, damage**, or loss in connection with any **claim** or suit in the event that such coverage violates any laws or regulations of the United States concerning economic and trade sanctions including, but not limited to the following:
1. Any insured, or any person or entity claiming benefits of an insured, who is or becomes a **Specially Designated National** or **Blocked Person** or who is otherwise subject to U.S. economic or trade sanctions;
  2. Any **claim** or suit that is brought in a **Sanctioned Country** or by a Sanctioned Country Government, where any action in connection with such claim or suit is prohibited by U.S. economic or trade sanctions;
  3. Any **claim** or suit that is brought by any **Specially Designated National** or **Blocked Person** or any person or entity who is otherwise subject to U.S. economic or trade sanctions;
  4. Property that is located in a **Sanctioned Country** or that is owned by, rented to or in the care, custody or control of a Sanctioned Country Government, where any activities related to such property are prohibited by U.S. economic or trade sanctions; or
  5. Property that is owned by, rented to or in the care, custody or control of a **Specially Designated National** or **Blocked Person**, or any person or entity who is otherwise subject to U.S. economic or trade sanctions.

- B.** For the purposes of this Endorsement:

**"Specially Designated National" or "Blocked Person"** means any person or entity that is on the list of **Specially Designated Nationals** and **Blocked Persons** issued by the U.S. Treasury Department's Office of Foreign Asset Control ("OFAC"). The list of **Specially Designated Nationals** and **Blocked Persons** can be located on the United States Treasury's web site at: <http://www.treas.gov/ofac>.

**"Sanctioned Country"** means any country that is the subject of trade or economic sanctions imposed by the laws or regulations of the United States of America.

Nothing contained herein shall be held to vary, waive, alter, or extend any of the terms, conditions, agreements or declarations of the policy, other than as herein stated.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**DISCLOSURE OF PREMIUM PURSUANT TO  
TERRORISM RISK INSURANCE ACT**

**SCHEDULE**

**SCHEDULE - PART I**

Terrorism Premium (Certified Acts) \$0.00

This premium is the total Certified Acts of Terrorism premium attributable to the:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART  
BUILDERS' RISK COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FINE ARTS FLOATER COVERAGE FORM  
TRIP TRANSIT SPECIAL CAUSES OF LOSS COVERAGE FORM**

Additional information, if any, concerning the terrorism premium:

**SCHEDULE - PART II**

The United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Disclosure Of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under that Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

**B. Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

**C. Cap On Insurer Participation In Payment Of Terrorism Losses**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**D. Possibility Of Additional Premium**

The premium for certified acts of terrorism coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act. The federal program established by the Act is scheduled to terminate at the end of the year specified in Part I of the Schedule of this endorsement, unless extended by the federal government. Continuation of coverage for certified acts of terrorism, or termination of such coverage,



will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion on this policy. If coverage continues past the end of the year specified in Part I of the Schedule of this endorsement, we will calculate the premium for such period of time and charge additional premium if indicated.

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

THIS DISCLOSURE FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US**

This endorsement modifies insurance provided under the following:

**COMMON POLICY CONDITIONS**

In consideration of the premium paid, the policy is modified as follows:

- I. **Section XI. INSURANCE UNDER MORE THAN ONE COVERAGE**, is deleted in its entirety and replaced with the following:

**XI. TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US**

If this Coverage Form and any other Coverage Form or policy issued to **you** by us or any company affiliated with us applies to the same **dental incident, claim** or suit, only one of the Coverage Forms or policies applies.

In consideration of the premium paid for this policy, it is agreed that if any **claim** is covered under this policy and under any other policy or policies issued by the Insurer or any of its affiliates, the maximum aggregate limit of liability of the Insurer and its affiliates for all **loss** in connection with such **claim** shall not exceed the highest applicable limit of liability on any one applicable policy.

Payment of the highest limit of liability offered on any one applicable policy shall extinguish the Insurer's liability on all of the policies for such **claim**. Nothing contained in this endorsement shall be construed to increase the limit of liability of this policy.

All other provisions of this policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITION OF NAMED ENTITY INSURED**

This endorsement modifies insurance provided under the following:

**Professional Liability Coverage part dentists/oral surgeons  
General Liability Coverage Part  
Building, Blanket Dental Practice Personal property & income coverage part**

In consideration of the premium paid, the policy is modified as follows:

Named Entity Insured:

**Overland Park Dental Design, LLC**

1. The definition of "You" or "Your" in each of the above Coverage Parts is amended to include the following:

**"You" or "Your" also means the entity listed above. However, solely with respect to the Professional Liability Coverage Part, such entity is insured only with respect to its liability arising out of an insured dentist's rendering or failure to render professional services**

2. Solely for the purposes of the coverage afforded to the entity named above, Section III. **LIMITS OF LIABILITY**, Paragraph E. of the Professional Liability Coverage Part is deleted in its entirety and is replaced as follows:

**E. It is understood that the limits of liability available to such entity named above shall apply on a shared basis with all insured dentists who are members of the above named additional insured entity.**

3. In no event will the addition of these entities serve to increase the limits applicable to each Coverage Part.

All other provisions of this policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**KANSAS AMENDATORY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMON POLICY CONDITIONS**

In consideration of the premium paid, the policy is modified as follows:

- I. Section VI. **EXAMINATION OF YOUR BOOKS AND RECORDS** is deleted and replaced by the following:

**VI. EXAMINATION OF YOUR BOOKS AND RECORDS**

We may examine and audit **your** books and records as they relate to this policy and/or any **claim** submitted under this policy, at any time during the policy period and up to 3 years afterward.

- II. Section IX. **CONCEALMENT, MISREPRESENTATION, FRAUD** is deleted and replaced by the following:

**IX. CONCEALMENT, MISREPRESENTATION, FRAUD**

This insurance will be canceled in any case of a fraudulent insurance act by **you** as it relates to this insurance at any time. A "fraudulent insurance act" means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material to:

- A. An application for the issuance of this insurance;
- B. The rating of this insurance; or
- C. A **claim** for payment under this insurance.

- III. Section XII. **TRANSFER OF RIGHTS OF RECOVERY** does not apply to any medical payments insurance provided under this policy.:

- IV. Section XIII. **LEGAL ACTION LIMITATION** is amended to include the following:

**You** may only bring legal action against us with five years of settlement.

- V. Section XVIII. **DEFINITIONS** is amended to include the following:

The term "actual cash value", wherever it appears within the policy, means:

- A. when the **damage** to property is economically repairable "actual cash value" means the cost of repairing the **damage**, less reasonable deduction for wear and tear, deterioration and obsolescence.
- B. when the loss to property creates a total loss, "actual cash value" means the market value of the property in a used condition equal to that of the destroyed property, if reasonably available on the used market.
- C. otherwise, "actual cash value" shall mean the market value of new, identical or nearly identical property, less reasonable deduction for wear and tear, deterioration and obsolescence.

All other provisions of this policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018



## DEFENDANT'S REIMBURSEMENT COVERAGE PART

We are the stock insurance company named on the Declarations. Throughout this policy the words we, us and our refer to the company providing this insurance. We agree with **you** as follows:

### LIMITS OF LIABILITY

\$500 per day  
\$5,000 per suit

### I. COVERAGE AGREEMENT

We will repay **you** for the necessary expenses and loss of time **you** incur as a result of being a defendant or co-defendant in a civil suit. These amounts must result from **your** being required to attend a trial of the suit. The suit must be caused by an **injury** or **damage** covered by this policy.

### II. EXCLUSIONS

This coverage does not apply to trials of lawsuits if an action for damages had been filed before the effective date of this policy, and entered upon the records of a court lawfully established to receive, hear, or adjudicate such actions.

### III. LIMITS OF LIABILITY

This coverage applies separately to each **insured dentist**. The Limit of Liability stated above as "per day" is the maximum we will pay for each full day **you** are required to appear in court. A full day means **your** attendance during both the morning and afternoon sessions of the trial. If **you** are required to appear in court for only one-half day, our liability shall only be one-half the per day limit.

Our liability for necessary expenses and loss of time resulting from any one or more trial(s) arising out of the same alleged causes of actions, regardless of the number of days **you** are required to attend such trial(s), shall not exceed the "per suit" limit stated above.

### IV. SPECIAL CONDITIONS

**You** must give us, or any of our authorized agents, written notice as soon as practicable following the last date of expenses or loss of time **you** incur. This notice shall contain details sufficient to identify **you** and all reasonably obtainable information regarding the time, place and circumstances of the loss. Also included must be the identity of the court and all parties to the action before the court.

This coverage only applies to expenses and loss of time which occur during the policy period.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART  
BUILDERS' RISK COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FINE ARTS FLOATER COVERAGE FORM  
TRIP TRANSIT SPECIAL CAUSES OF LOSS COVERAGE FORM**

In consideration of the premium paid, the policy is modified as follows

- A. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**"Certified Act Of Terrorism"** means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a **certified act of terrorism** include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
  2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion
- B. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under any applicable Coverage Form or Coverage Part

All other provisions of this policy remain unchanged

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018



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## BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words **you** and **your** refer to the **named insured** and anyone having a financial interest in the covered property.

The words we, us and our refer to the Company providing this Insurance.

Words and phrases that appear in bold facing have special meaning. Refer to **DEFINITIONS** in the Common Policy Conditions and in this Coverage Part.

### I. COVERAGE AGREEMENTS

#### A. Covered Property

We will pay for all direct physical **damage** to covered property at the premises described on the Declarations caused by or resulting from any **covered cause of loss**.

Covered property means the following types of property for which a limit of insurance is shown on the Declarations or which is shown below:

1. **Building;**

2. **Your blanket dental practice personal property:**

a. located:

1) in or on the **building**; or

2) in the open, or in a vehicle, within 1000 feet of the described premises.

b. off-premises, anywhere in the world. The most we will pay for **damage** when caused by or resulting from a **covered cause of loss** is \$30,000. However, this coverage does not apply if the **damage** is covered under **2.g.** below.

c. including **accounts receivable records** and other **valuable papers and records** including x-ray negatives and prints and patient's charts;

d. including **fine arts**, subject to the following:

1) the **damage** is caused by a **covered cause of loss**; and

2) the most we will pay is \$30,000 at each described premises with no more than \$5,000 per item.

Items valued at \$1,500 or less are not considered **fine arts**. The limits of insurance for **fine arts** are in addition to the limits of insurance shown on the Declarations.

e. and money and securities used in **your** practice while at a bank or savings institution, within **your** living quarters or the living quarters of **your** partners or any employees having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:

- 1) theft, meaning any act of stealing;
- 2) disappearance; or
- 3) destruction.

We will not pay for **damage**:

- 1) resulting from accounting or arithmetical errors or omissions;
- 2) due to the giving or surrendering of property in any exchange or purchase; or
- 3) to property contained in any money-oriented device unless the amount of money deposited in it is recorded by a continuous recording instrument in the device.

The most we will pay for **damage** in any one event is:

- 1) \$20,000 inside the premises for money and securities while:
  - a) in or on the described premises; or
  - b) within a bank or savings institution; and
- 2) \$15,000 outside the premises for money and securities while anywhere else.

All **damage**:

- 1) Caused by one or more persons; or
- 2) Involving a single act or series of related acts;

is considered one event.

**You** must keep records of all money and securities so we can verify the amount of any **damage**.

In the event of **damage** we will determine the value as follows:

- 1) money at its face value; and
- 2) securities at their value at the close of practice on the day the **damage** is discovered.

f. Glass

- 1) We will pay for all glass other than art glass windows, including all lettering and ornamentation, located at the described premises:
  - a) owned by **you**; or
  - b) owned by others but in **your** care, custody or control
- 2) We will also pay for necessary:
  - a) expenses incurred to put up temporary plates or board up openings;
  - b) repair or replacement of encasing frames; and
  - c) expenses incurred to remove or replace obstructions.

- g. including temporary relocation of **your blanket dental practice personal property** subject to the following:
- 1) If **your blanket dental practice personal property** is removed from the described premises and stored temporarily at a location **you** own, lease or operate while the described premises is being renovated or remodeled, we will pay for **damage** to that stored property caused by or resulting from a **covered cause of loss**:
    - a) up to \$50,000 at each temporary location; and
    - b) during the storage period of up to 90 consecutive days but not beyond expiration of this policy.
  - 2) This Coverage does not apply if:
    - a) the stored property is more specifically insured; or
    - b) the **damage** is covered under **2.b.** above.
- h. property, including property that would be considered part of the **building**, which **you** are responsible for or **you** are required to insure pursuant to the terms of a lease agreement.

### 3. Practice Income

#### a. Blanket dental practice personal property

We will pay for the actual loss of **practice income you** sustain, or the Valued Daily Limit, as described under Limits of Insurance provision III.E.6., due to the necessary suspension of **your** practice during the **period of restoration**. The suspension must be caused by direct physical **damage** to the **building** or **blanket dental practice personal property** at the described premises caused by or resulting from a **covered cause of loss** or power failure as described under Paragraph **I.B.8.**

We will only pay for **loss of practice income** that occurs within 12 consecutive months after the date of direct physical **damage** or power failure as described under Paragraph **I.B.8.** **Practice income** coverage shall apply separately to each location affected by such suspension of practice.

#### b. Dependent Property

We will pay for the actual loss of **practice income you** sustain up to a maximum of \$10,000, regardless of the number of **dependent properties**, due to the necessary suspension of **your** practice during the **period of restoration**. The suspension must be caused by direct physical **damage** at the **dependent property** caused by or resulting from a **covered cause of loss**.

Solely as respects **dependent property** and notwithstanding anything to the contrary, the period of restoration:

- 1) begins 24 hours after the time of direct physical loss or damages caused by or resulting from any **covered cause of loss** at the **dependent property**;
- 2) ends on the date when the **dependent property** should be repaired, rebuilt or replaced with reasonable speed and similar quality; and

As used herein, **period of restoration** does not include any increased period required due to the enforcement of any ordinance or law that:

- a) regulates the construction, use or repair, or requires the tearing down of any property; or
- b) requires **you** or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

#### 4. Extra Expense

Extra expense means the extra expenses necessarily incurred by **you** during the **period of restoration** to continue normal services and operations which are interrupted due to **damage** by a **covered cause of loss** to the premises described, or power failure as described under Paragraph **I.B.8**. **You** will exercise due diligence and dispatch to restore normal practice services.

We will only pay for extra expenses that **you** incur within 12 consecutive months after the date of direct physical **damage** or power failure as described under Paragraph **I.B.8**.

#### 5. Extended Practice Income

We will pay for the actual loss of **practice income you** incur during the period that:

- a. begins on the date property, except **finished stock**, is actually repaired, rebuilt or replaced and **your** practice is resumed; and
- b. ends on the earlier of:
  - 1) the date **you** could restore **your** practice with reasonable speed, to the condition that would have existed if no direct physical **damage** happened; or
  - 2) 12 consecutive months after the date determined in (1) above.

Loss of **practice income** must be caused by direct physical **damage** at the described premises caused by or resulting from any **covered cause of loss**.

#### 6. Rents

The actual loss of **rents** or other income **you** sustain due to direct physical **damage** caused by or resulting from a **covered cause of loss** to **your building** at the described premises, whether rented or not, for the length of time which is required to rebuild, repair, or replace it, beginning with the date of **damage** during the policy period, but not limited by its expiration.

### B. Covered Related Expenses

We will also pay for the following expenses:

#### 1. Back Up of Sewer or Drain

We will pay up to \$25,000 for **damage** to covered property caused by water that backs up from a sewer or drain.

With respect to otherwise covered **practice income** and extra expense, **damage** to covered property caused by water that backs up from a sewer or drain, will be considered a **covered cause of loss**.

#### 2. Debris Removal

We will pay up to 25% of:

- a. the amount we pay for the direct physical **damage** to covered property; plus
- b. the deductible in this policy applicable to that **damage**;

for expense to remove debris of covered property caused by or resulting from a **covered cause of loss** that happens during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:

- a. the date of direct physical **damage**; or
- b. the end of the policy period.

This limitation does not apply to any additional debris removal limit provided in the Limits of Insurance section.

This coverage does not apply to costs to:

- a. extract **pollutants** from land or water; or
- b. remove, restore or replace polluted land or water.

### 3. Preservation of Property

If it is necessary to move covered property from the described premises to preserve it from, or for repair of, **damage** by a **covered cause of loss**, we will pay for any direct physical **damage** to that property:

- a. while it is being moved or while temporarily stored at another location; and
- b. only if the **damage** happens within 90 days after the property is first moved.

### 4. Fire Department Service Charge

When the fire department is called to save or protect covered property from a **covered cause of loss**, we will pay up to \$25,000 for **your** liability for fire department service charges:

- a. assumed by contract or agreement prior to **damage**; or
- b. required by local ordinance.

No deductible applies to this covered related expense.

### 5. Fire Extinguisher Recharge

We will pay up to an amount not exceeding \$15,000 in any one event:

- a. for the cost of recharging **your** Underwriters Laboratories listed or Factory Mutual approved type ABC (multipurpose) fire extinguishers or dry chemical fixed pipe fire extinguishing systems after:
  - 1) being used in fighting a fire; or
  - 2) an accidental discharge;on **your** premises or on adjoining premises.
- b. for the cost of replacing or repairing faulty valves or controls which caused the accidental discharge on **your** premises or on adjoining premises.

### 6. Arson Reward

We will pay up to \$10,000 for information which leads to an arson conviction in connection with **damage** caused by fire covered under this Coverage Part. Regardless of the number of persons involved in providing information our liability will not be increased.

### 7. Valuable Papers and Records - Cost of Research

We will pay **your** costs to research, replace or restore the lost information on **damaged valuable papers and**

**records**, x-ray negatives and prints and patient charts including those which exist on **electronic media and records**, for which duplicates do not exist.

#### 8. Power Failure

We will pay for **damage** to covered property caused by the failure of power or other utility service supplied to the described premises, resulting from direct physical **damage** which happens away from the described premises caused by a **covered cause of loss**. The interruption must result from a **covered cause of loss** to the following types of property not on the described premises, but supplying electricity, water, steam or gas to the described premises:

- a. utility generating plants;
- b. switching stations;
- c. substations;
- d. transformers; or
- e. transmission lines.

If **damage** by a **covered cause of loss** results, we will pay for that resulting **damage**.

We will not pay for **damage you** sustain during the 24 hours immediately following direct physical **damage** to the power or other utility service.

#### 9. Condominium Property

If **you** are a condominium unit owner at a location insured under this policy, we will pay for **damage** to walls, floors, ceilings, floor coverings or any other property for which **you** are responsible or which **you** are required to insure by **your** condominium association agreement.

However, we will not pay for **damage** to such walls, floors, ceilings, floor coverings or any other property if someone other than **you** pays to repair or replace it.

#### 10. Pollution Cleanup and Removal

We will pay **your** expense up to \$25,000 for the sum of all such expenses arising out of **covered causes of loss** happening during each separate 12 month period of the policy, to extract **pollutants** from land or water at the described premises if the release, discharge or dispersal of the **pollutants** is caused by or results from a **covered cause of loss** that happens during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:

- a. the date of direct physical damage; or
- b. the end of the policy period.

#### 11. Lawns, Trees, Shrubs, Plants and Signs

We will pay for **your** signs other than signs attached to **your buildings**, lawns, trees, shrubs and plants including debris removal expenses.

- a. The most we will pay for **damage** to signs by a **covered cause of loss** is \$10,000 at each described premises.
- b. The most we will pay for damage by a **covered cause of loss** is \$10,000 at each described premises for lawns, trees, shrubs and plants, but not more than \$ 5,000 for any one tree, shrub or plant.



We will not pay for **damage** to trees, shrubs, and plants resulting from the following causes of **damage**: windstorm or hail; vehicles; vandalism; disease or growth failure.

## 12. Personal Effects and Property of Others

- a. Personal effects owned by **you, your** officers, **your** partners or **your** employees. The most we will pay for **damage** is \$50,000 at each described premises.
- b. Personal property of others in **your** care, custody or control located in or on the **building** or in the open, or in a vehicle, within 1000 feet of the described premises. The most we will pay for **damage** will not exceed the Blanket Dental Practice Personal Property limit as set forth on the Declarations at each described premises. Our payment for **damage** to personal property of others will only be for the account of the owner of the property.

## 13. As respects practice income:

### a. Expenses to Reduce **Damage**

We will pay any necessary expenses **you** incur, except the cost of extinguishing a fire:

- 1) to reduce the amount of **damage**;
- 2) to the extent that they do not exceed the amount of **damage** that otherwise would have been payable;

under this Coverage Part.

### b. Civil Authority

We will pay for the actual loss of **practice income** and **rents you** sustain caused by action of civil authority that prohibits access to the described premises due to the direct physical **damage** to property, other than at the described premises, caused by or resulting from any **covered cause of loss**. This coverage will apply for a period of up to 30 consecutive days from the time of that action.

### c. Alterations and New Buildings

We will pay for the actual loss of **practice income you** sustain due to direct physical **damage** at the described premises caused by or resulting from any **covered cause of loss** to:

- 1) new **buildings**, whether complete or under construction;
- 2) alterations or additions to existing **buildings**; and
- 3) machinery, equipment, supplies or **building** materials located on or within 1000 feet of the described premises and;
  - a) used in the construction, alterations or additions; or
  - b) incidental to the occupancy of new **buildings**.

If such direct physical **damage** delays the start of **your** practice, the **period of restoration** will begin on the date **your** practice would have begun if the direct physical **damage** had not happened.

## 14. Money Orders and Counterfeit Paper Currency

We will pay for loss due to:

- a. the acceptance in good faith, in exchange for merchandise, Money or services, of any post office or express money order, issued or claiming to have been issued by any post office or express company, if

the money order is not paid upon presentation; or

- b. the acceptance in good faith in the regular course of business of counterfeit United States or Canadian paper currency.

The most we will pay for any loss is \$10,000.

#### 15. Forgery and Alteration

- a. We will pay for loss resulting directly from forgery or alteration of, on or in any check, draft, promissory note, or similar written promise, order or direction to pay a sum certain in money, made or drawn by or drawn upon **you** or made or drawn by one acting as **your** agent or claiming to have been so made or drawn.
- b. If **you** are sued for refusing to pay the covered instrument on the grounds that it has been forged or altered, and **you** have our written consent to defend against the suit, we will pay any reasonable legal expenses that **you** incur in that defense. The amount we will pay for these legal expenses will be a part of and not in addition to the limit of insurance applicable to the Forgery and Alteration coverage.

The most we will pay for any loss and legal defense is \$25,000.

#### 16. Dentist's Electronic Equipment

We will pay for direct **damage** to covered **dentist's electronic equipment** (including extra expense), located on or within 1000 feet of the described premises, caused by or resulting from a **covered electronic equipment cause of loss** as defined below. The most we will pay for **damage** and extra expense covered by this covered related expense is \$50,000.

For purposes of this coverage, **dentist's electronic equipment** means any electronic dental equipment, computers, dental chair, x-ray equipment or other components capable of accepting information, processing it according to a plan and producing the desired results. This includes any telephone components or equipment, telephone switchgear, operating programs, related software, facsimile transmission equipment, telex equipment and other related hardware used for the transmission of communications. It also includes software for electronic data processing, recording or storage media such as films, tapes, cards, discs, drums or cells.

**Covered electronic equipment cause of loss** means risk of direct physical loss to **dentist's electronic equipment** except as excluded or limited below. The **covered electronic equipment cause of loss** also includes **electrical disturbance**.

We will not pay for loss or **damage** caused by or resulting from the exclusions as indicated below. Only the following exclusions as stated in this Coverage Part, Section II. **EXCLUSIONS** apply to **dentist's electronic equipment**:

- a. Exclusion **A.4.**, Governmental Action;
- b. Exclusion **A.5.**, Nuclear Hazard;
- c. Exclusion **A.6.**, War And Military Action;
- d. Exclusion **B.2.**, Delay, loss of use or loss of market;
- e. Exclusion **B.4.**, Wear and tear;
- f. Exclusion **B.5.**, Rust, corrosion;
- g. Exclusion **B.7.**, seepage, migration;
- h. Exclusion **B.13.**, dishonest or criminal acts,

The following additional exclusions shall also apply:

- i. Depreciation, obsolescence, dampness or dryness, cold or heat or any other cause of consequential loss or damage;
- j. Error, omission in machine programming or incorrect instructions to a machine;
- k. Errors, omissions or deficiencies in design, specification, materials or workmanship.

For purposes of this coverage **electrical disturbance** means electrical injury, magnetic injury, disturbance of electronic recordings or erasure of electronic recordings including **damage** caused by interruption of an electrical power supply, power surge, blackout or brownout.

The most we will pay for **practice income** as provided elsewhere in this Coverage Part for loss or **damage** covered by this covered related expense is \$2,500. This is part of and not in addition to the \$50,000 limit stated above for this coverage.

#### 17. Claim Data Expense

- a. We will pay the reasonable expenses **you** incur in preparing claim data when we require such data to show the extent of **damage**. This includes the cost of taking inventories, making appraisals, preparing income statements and preparing other documentation.
- b. Under this Covered Related Expense, we will not pay for:
  - 1) Any expenses incurred, directed or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries;
  - 2) Any costs in connection with the Appraisal Condition as set forth in Section V. **CONDITIONS**; or
  - 3) Any expenses incurred, directed or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.
- c. The most we will pay for preparation of claim data under this Covered Related Expense in any one occurrence is \$5,000 regardless of the number of premises involved.

#### 18. Computer Fraud

We will pay for **damage** up to a maximum of \$10,000 to covered property caused by **computer fraud**.

### C. Newly Acquired Or Constructed Property

Except as otherwise provided, the following provisions apply to property located in or on the **building** or in the open, or in a vehicle, within 1000 feet of the described premises.

- 1. **You** may extend the insurance provided by this Coverage Part as follows:
  - a. to apply to:
    - 1) **your** new **buildings** while being built on the described premises; and
    - 2) **buildings you** acquire at locations, other than the described premises, intended for similar use as the building described on the Declarations;
    - 3) **your blanket dental practice personal property** at any location **you** acquire.
  - b. The most we will pay for **damage** under this Coverage Extension is:

- 1) \$1,000,000 on each newly acquired **building**;
- 2) \$500,000 on **your blanket dental practice personal property**, at each newly acquired location, whether owned, leased, occupied or controlled by **you**.

c. **You** may extend **your practice income** coverage to apply at any location **you** acquire.

The most we will pay for loss is \$500,000 at each location.

2. Insurance for each newly acquired location will end when any of the following first happens:
  - a. this policy expires; or
  - b. 180 days expire after **you** acquire or begin to construct the property; or
  - c. **you** report values to us.

We will charge **you** additional premium for values reported from the date **you** acquire the property.

#### D. Property Not Covered

Covered Property does not include:

1. accounts, bills, currency, deeds, evidence of debt, money, notes or securities, except as provided in Paragraphs **I.A.2.c.**, and **I.A.2.e.**;
2. animals;
3. automobiles;
4. contraband, or property in the course of illegal transportation or trade;
5. the cost of excavations, grading, backfilling or filling;
6. **fine arts** with a value exceeding \$1,500 per item except as provided in Paragraph **I.A.2.d.**;
7. foundations of **buildings**, machinery or boilers if their foundations are below:
  - a. the lowest basement floor; or
  - b. the surface of the ground, if there is no basement;
8. land, including land on which the property is located, or water;
9. pilings, piers, wharves or docks;
10. property that is covered under another coverage part of this or any other policy in which it is more specifically described, except for the excess of the amount due, whether **you** can collect on it or not, from that other insurance;
11. underground pipes, flues or drains; or
12. vehicles or self-propelled machines, including aircraft or watercraft, that:
  - a. are licensed for use on public roads; or
  - b. are operated principally away from the described premises;

This exclusion does not apply to:

- a. snow removal or lawn care equipment; or
  - b. rowboats or canoes out of water at the described premises;
- that **you** own.

## II. EXCLUSIONS

A. We will not pay for **damage** caused directly or indirectly by any of the following. Such **damage** is excluded regardless of any other cause or event that contributes concurrently in any sequence to the **damage**.

### 1. Ordinance or Law

The enforcement of any ordinance or law:

- a. regulating the construction, use or repair of any property; or
- b. requiring the tearing down of any property, including the cost of removing its debris.

### 2. Earth Movement

Any earth movement other than **sinkhole collapse**, such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. If **damage** by fire or explosion results, we will pay for that resulting **damage**.

### 3. Volcanic Eruption

Any volcanic eruption, explosion or effusion. If **damage** by fire, building glass breakage or volcanic action results, we will pay for that resulting **damage**.

### 4. Governmental Action

Seizure or destruction of property by order of governmental authority.

We will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this coverage part.

### 5. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

If **damage** by fire results, we will pay for that resulting **damage**.

### 6. War and Military Action

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### 7. Water

- a. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;

- b. Mudslide or mudflow;
- c. Water that backs up from a sewer or drain except as provided under the covered related expenses;
- d. Water under the ground surface pressing on, or flowing or seeping through:
  - 1) foundations, walls, floors or paved surfaces;
  - 2) basements, whether paved or not; or
  - 3) doors, windows or other openings.

But if damage by fire, explosion or sprinkler leakage results, we will pay for that resulting damage.

**B.** We will not pay for damage caused by or resulting from any of the following:

- 1. artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires;  
  
if **damage** by fire results, we will pay for that resulting **damage**.
- 2. delay, loss of use or loss of market;
- 3. smoke, vapor or gas from agricultural smudging or industrial operations;
- 4. wear and tear;
- 5. rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to **damage** or destroy itself;
- 6. smog;
- 7. seepage, migration, escape, release, discharge or dispersal of contaminants or **pollutants** unless the seepage, migration, escape, release, discharge or dispersal is itself caused by any of the **specified causes of loss**. But if **damage** by the **specified causes of loss** results, we will pay for the resulting **damage** by the **specified causes of loss**;
- 8. settling, cracking, shrinking or expansion;
- 9. nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
- 10. mechanical breakdown, including rupture or bursting caused by centrifugal force; or explosion or other **damage** to steam boilers, steam pipe, steam engines or steam turbines, hot water boilers or other water heating equipment except sterilization heating equipment heating equipment or domestic water supply systems owned or leased by **you**, or operated under **your** control. If **damage** by fire or combustion explosion results, we will pay for that resulting **damage**. We will also pay for **damage** caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass;
- 11. continuous or repeated seepage or leakage of water that happens over a period of 14 days or more;
- 12. water, or other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment, except fire protective systems, caused by or resulting from freezing, unless:
  - a. **you** do **your** best to maintain heat in the **building**; or
  - b. **you** drain the equipment and shut off the water supply if the heat is not maintained.

13. dishonest or criminal acts by **you**, any of **your** partners, employees, directors, trustees, authorized representatives or anyone to whom **you** entrust the property for any purpose:

- a. acting alone or with others; or
- b. whether or not happening during the hours of employment.

This exclusion shall not apply to acts of destruction by **your** employees, but theft by employees is not covered.

14. voluntary parting with any property by **you** or anyone else to whom **you** have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense; or

15. collapse, except as provided under the Definition of **covered cause of loss** for ALL RISKS OF DIRECT PHYSICAL LOSS A., Collapse.

C. We will not pay for **damage** caused by or resulting from any of the following. If **damage** by a **covered cause of loss** results, we will pay for the resulting **damage**:

1. weather conditions. this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Exclusions **II. A.1. through A.7.** above to produce the **damage**;
2. acts or decisions, including the failure to act or decide, of any entity;
3. faulty, inadequate or defective:
  - a. planning, zoning, development, surveying, siting;
  - b. design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
  - c. materials used in repair, construction, renovation or remodeling; or
  - d. maintenance;

of part or all of any property on or off the described premises.

#### D. Special Exclusions

As respects **practice income** coverage, we will not pay for:

1. any **damage** caused by or resulting from:
  - a. **damage** or destruction of **finished stock** or prosthesis; or
  - b. the time required to reproduce **finished stock** or prosthesis;
2. any **damage** caused by or resulting from direct physical **damage** to radio or television antennas, including their lead-in wiring, masts or towers;
3. any increase of **damage** caused by or resulting from:
  - a. delay in rebuilding, repairing or replacing the property or resuming **your** practice, due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
  - b. suspension, lapse or cancellation of any license, lease or contract. if the suspension, lapse or cancellation is directly caused by the suspension of **your** practice, we will cover such **damage** that affects **your practice income** during the **period of restoration**, but not beyond the **period of restoration**.
4. any other consequential damage.

**E. Limitations**

1. We will not pay for **damage** to:
  - a. the interior of any **building** caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
    - 1) the **building** first sustains **damage** by a **covered cause of loss** to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
    - 2) the **damage** is caused by or results from thawing of snow, sleet or ice on the **building**;
  - b. building materials and supplies not attached as part of the **building** or structure, unless held for sale by **you**, caused by or resulting from theft;
  - c. property that is missing, where the only evidence of the loss or **damage** is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property;
  - d. gutters and downspouts caused by or resulting from weight of snow, ice or sleet;
  - e. property that has been transferred to any entity or to a place outside the described premises on the basis of unauthorized instructions; or
  - f. outdoor radio or television antennas, including their lead-in wiring, masts or towers when **damage** is caused by windstorm, hail, rain, sleet, snow, ice or weight of ice.
2. For **damage** by theft, the following types of property are covered only up to the limits shown:
  - a. \$2,500 for furs, fur garments, or garments trimmed with fur;
  - b. \$25,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item;
  - c. \$250 for stamps, tickets and letters of credit.
3. For **damage** by rain, snow, ice or sleet to personal property in the open, we will pay up to a maximum of \$10,000.

**III. LIMITS OF INSURANCE**

- A. The most we will pay for **damage** in any one event is the applicable limits of insurance shown on the Declarations.
- B. Unless otherwise indicated, the limits of insurance applicable to the covered related expenses are in addition to the limits of insurance shown on the Declarations. Payments under the following Covered Related Expenses will not increase the applicable limit of insurance:
  1. preservation of property; or
  2. debris removal; but if:
    - a. the sum of direct physical damage and debris removal expense exceeds the limit of insurance; or
    - b. the debris removal expense exceeds the amount payable under the 25% debris removal for covered related expenses;

we will pay up to an additional \$25,000 for each location in any one event.



3. as respects **practice income** and **rents** the following will not increase the limit of insurance:

- a. alterations and new **buildings**;
- b. civil authority; and
- c. expense to reduce **damage**.

#### C. Deductible

We will not pay for **damage** to **your building** or **your blanket dental practice personal property** in any one event until the amount of **damage** exceeds the deductible shown on the Declarations. We will then pay the amount of **damage** in excess of the deductible, up to the applicable limit of insurance.

#### D. Inflation Guard

1. The limit of insurance for **building** and **blanket dental practice personal property** to which this coverage applies will automatically increase by the quarterly percentage shown on the Declarations.
2. The amount of increase will be:
  - a. the most recent limit of insurance exclusive of this coverage; multiplied by
  - b. the percentage of quarterly increase shown on the Declarations applied pro rata during each year.

#### E. Valuation

We will determine the value of covered property in the event of **damage** as follows:

##### 1. **Building: Your Blanket Dental Practice Personal Property:**

- a. On the basis of replacement cost, without deduction for depreciation.
- b. This valuation does not apply to:
  - 1) property of others;
  - 2) contents of a residence;
  - 3) manuscripts;
  - 4) **fine arts**;
  - 5) outdoor equipment or outdoor furniture; or
  - 6) **stock**.
- c. **You** may make a **claim** for **damage** covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event **you** elect to have **damage** settled on an actual cash value basis, **you** may still make a **claim** on a replacement cost basis if **you** notify us of **your** intent to do so within 180 days after the **damage**.
- d. We will not pay on a replacement cost basis for any **damage**:
  - 1) until the **damaged** property is actually repaired or replaced; and
  - 2) unless the repairs or replacement are made as soon as reasonably possible after the **damage**.

These requirements do not apply when **damages** are \$10,000 or less.

- e. We will not pay more for **damage** on a replacement cost basis than the least of:
- 1) the limit of insurance applicable to the **damaged** property; or
  - 2) the cost to replace, on the same premises, the **damaged** property with other property:
    - a) of comparable material and quality; and
    - b) used for the same purpose; or
  - 3) the amount **you** actually spend that is necessary to repair or replace the **damaged** property.
2. **Stock you** have sold but not delivered at the selling price less discounts and expenses **you** otherwise would have had.
3. Glass at the cost of replacement with safety glazing material if required by law.
4. Tenant's improvements and betterments at:
- a. replacement cost of the **damaged** property if **you** make repairs promptly;
  - b. a proportion of **your** original cost if **you** do not make repairs promptly. We will determine the proportionate value as follows:
    - 1) multiply the original cost by the number of days from the **damage** to the expiration of the lease; and
    - 2) divide the amount determined in 1) above by the number of days from the installation of improvements to the expiration of the lease.

If **your** lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
  - c. nothing if others pay for repairs or replacement.
5. **Valuable papers and records**, including those which exist on **electronic media and records**, other than repackaged software programs, at the cost of:
- a. blank materials for reproducing the records; and
  - b. labor to transcribe or copy the records when there is a duplicate.
6. **Practice Income**
- a. Actual Loss Sustained - If **your** practice is suspended due to physical **damage** at the described premises or power failure as described under Paragraph **I.B.8.**, we will pay for the actual loss of **practice income you** sustain in accordance with Paragraph **I.A.3.** unless a Valued Daily Limit is shown on the Declarations. If a Valued Daily Limit is shown on the Declarations, **practice income** will be valued in accordance with Paragraph **III.F.6.b.** below.
  - b. Valued Daily Limit - If **your** practice is suspended due to physical **damage** at the described premises or power failure as described under Paragraph **I.B.8.**, we will pay up to the number of days shown on the Declarations:
    - 1) the limit per day shown on the Declarations if **your** practice is totally suspended; or
    - 2) the proportion of the limit per day if **your** practice is partially suspended. This proportion shall be calculated as the ratio of reduced practice hours compared to normal practice hours.

A day means a period of 24 hours, beginning at 12:01 A.M. and during which **your** practice was or would be conducted.

- c. Even if a Valued Daily Limit applies, **you** may alternatively make a claim for **practice income** covered by this insurance on an actual loss sustained basis during the **period of restoration** in accordance with Condition **V.J.7.**
- 7. **Rents** or other income at actual loss sustained. Consideration will be given to the experience before the loss and the probable experience had no loss occurred.
- 8. At actual cash value as of the time of **damage**, except as provided above.

#### IV. DEFINITIONS

"**Accounts Receivable Records**" means:

- A. all sums due **you** from customers, provided **you** are unable to effect collection;
- B. interest charges on any loan to offset impaired collections pending repayment of such amounts made uncollectible by **damage**;
- C. collection expenses in excess of normal collection cost made necessary because of **damage**; and
- D. other reasonable expenses incurred by **you** in re-establishing records of accounts receivable following such **damage**.

"**Blanket Dental Practice Personal Property**" means property other than **buildings**, consisting of the following:

- A. furniture and fixtures;
- B. machinery and equipment;
- C. **stock**;
- D. all other personal property owned by **you** and used in **your** practice;
- E. labor, materials or services furnished or arranged by **you** on personal property of others; and
- F. **your** use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
  - 1. Made a part of the **building you** occupy but do not own; and
  - 2. **You** acquired or made at **your** expense but cannot legally remove.

"**Building**" means the building or structure described on the Declarations, including:

- A. completed additions;
- B. permanently installed;
  - 1. fences, fixtures;
  - 2. machinery; and
  - 3. equipment;
  - 4. radio and television antennas and satellites including lead-in wiring and masts.

- C. outdoor fixtures;
- D. an appurtenant structure for up to 10 percent of the **building** limit;
- E. Personal property owned by **you** that is used to maintain or service the **building** or its premises, including:
  - 1. fire extinguishing equipment;
  - 2. outdoor furniture;
  - 3. floor coverings; and
  - 4. appliances used for refrigerating, ventilating, cooking, dishwashing or laundering; and
- F. If not covered by other insurance:
  - 1. additions under construction, alterations and repairs to the **building**;
  - 2. materials, equipment, supplies and temporary structures, on or within 1000 feet of the described premises, used for making additions, alterations or repairs to the **building**.

"**Computer Fraud**" means theft of property following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the premises described on the Declaration to a person or place outside those premises.

"**Covered Causes of Loss**" means ALL RISK OF DIRECT PHYSICAL LOSS except as excluded or limited in Section II. of this Coverage Part. ALL RISK OF DIRECT PHYSICAL LOSS shall also include the following:

**A. Collapse**

- 1. We will pay for **damage** caused by or resulting from collapse of a **building** or any of its parts caused only by one or more of the following:
  - a. the **specified causes of loss** or breakage of **building** glass, all only as insured against in this Coverage Part;
  - b. hidden decay;
  - c. hidden insect or vermin **damage**;
  - d. weight of people or personal property;
  - e. weight of rain that collects on a roof; and
  - f. use of defective material or methods in construction, remodeling or renovation if the collapse happens during the course of the construction, remodeling or renovation.
- 2. We will not pay for **damage** to the following types of property unless the **damage** is a direct result of the collapse of a **building**:
  - a. outdoor radio or television antennas, including their lead-in wiring, masts or towers;
  - b. awnings; gutters and downspouts;
  - c. yard fixtures, outdoor swimming pools;
  - d. fences; piers, wharves and docks; beach or diving platforms or appurtenances; or

- e. retaining walls; walks, roadways and other paved surfaces.

Collapse does not include settling, cracking, shrinkage, bulging or expansion, nor shall this coverage increase the limits of insurance of this Coverage Part.

## B. Water Damage

If **damage** caused by or resulting from covered **water damage** or other liquid, solder, powder or molten material **damage** happens, we will also pay the cost to tear out and replace any part of the **building** to repair **damage** to the system or appliance from which the water or other substance escapes.

We will not pay the cost to repair any defect that caused the **damage**; but we will pay the cost to repair or replace **damaged** parts of fire extinguishing equipment if the **damage**:

1. results in discharge of any substance from an automatic fire protection system; or
2. is directly caused by freezing.

"**Damage**" means partial or total loss of or damage to **your** covered property.

"**Dependent Property**" means property operated by others whom **you** depend on to:

- A. deliver materials or services (other than water supply services, communication supply services or power supply services) to **you** or to others for **your** account;
- B. accept **your** products or services;
- C. manufacture products for delivery to **your** customers under contract of sale; or
- D. attract customers to **your** business.

"**Electronic Media and Records**" means:

- A. electronic data processing, recording or storage media such as films, tapes, discs, drums or cells.
- B. data stored on such media; or
- C. programming records used for electronically controlled equipment.

"**Elevator**" means a hoisting or lowering device to connect floor or landings. It may or may not be in service. It may consist of several parts, such as: a car or platform; a shaft, hoistway, stairway, or runway; power equipment and machinery. For the purpose of this Coverage Part, **elevator** does not include:

- A. an auto servicing hoist;
- B. a hoist without a platform outside a **building**, which does not have mechanical power or is not attached to a **building** wall;
- C. any hod or material hoist used in construction operations;
- D. an inclined conveyor used exclusively for carrying property; or
- E. a dumbwaiter used exclusively for carrying property and having a compartment height of 4 or less feet.

"**Falling Objects**" means **damage** to the interior of a **building** or property inside provided that the roof or an outside wall of the **building** is first **damaged** by a **falling object**. **Falling objects** does not include damage to:

- A. personal property in the open; or
- B. the interior of a **building**, or property inside a **building**, unless the roof or an outside wall of the **building** is first

**damaged** by a **falling object**.

**"Fine Arts"** means paintings, etchings, pictures, tapestries, statuary, marbles, bronzes, porcelains and bric-a-brac, art glass windows and other bona fide works of art or rarity, historical value or artistic merit.

**"Finished Stock"** means **stock you** have manufactured.

**"Period of Restoration"** means the period of time that:

- A. begins 24 hours immediately following direct physical **damage** or power failure as described under Paragraph **I.B.8.** caused by or resulting from any **covered cause of loss** at the described premises or power failure as described in Paragraph **I.B.8.**; and
- B. ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

**Period of restoration** does not include any increased period required due to the enforcement of any ordinance or law that:

1. regulates the construction, use or repair, or requires the tearing down of any property; or
2. requires **you** or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

The expiration date of this policy will not cut short the **period of restoration**.

**"Practice Income"** means the:

- A. net income, meaning net profit or loss before income taxes, that would have been earned or incurred; and
- B. continuing normal operating expenses, including payroll.

**"Rents"** or other income means the sum of:

- A. gross income from the described property;
- B. the amount of all charges assumed by the tenants which would otherwise be **your** obligations; and
- C. rental value of that portion occupied by **you** or vacant portions that would have been rented had no **damage** occurred.

**"Sinkhole Collapse"** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of **damage** does not include:

- A. the cost of filling sinkholes; or
- B. sinking or collapse of land into man-made underground cavities.

**"Specified Causes of Loss"** means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; **sinkhole collapse**; **volcanic action**; **falling objects**; weight of snow, ice or sleet; **water damage**.

**"Stock"** means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

**"Valuable Papers and Records"** means written, printed or otherwise inscribed documents and records including books, maps, films, drawings, abstracts, deeds, mortgages, manuscripts, x-ray negatives and prints and patient's charts.

**"Volcanic action"** means direct **damage** resulting from the eruption of a volcano when the **damage** is caused by:

- A. airborne volcanic blast or airborne shock waves;
- B. ash, dust or particulate matter; or
- C. lava flow.

All volcanic eruptions that happen within any 168- hour period will constitute a single event.

**Volcanic action** does not include the cost to remove ash, dust or particulate matter that does not cause direct physical **damage** to the described property.

**"Water Damage"** means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

## V. CONDITIONS

The following Conditions apply in addition to the Common Policy Conditions.

### A. Control Of Property

Any act or neglect of any person other than **you** beyond **your** direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of **damage**, the breach of condition does not exist.

### B. Legal Action Against Us

The following is added to the Common Policy Conditions:

No one may bring a legal action against us under this Coverage Part unless the action is brought within:

- 6 Years in South Dakota;
- 5 Years in Florida or Kansas;
- 4 Years in Wyoming;
- 3 Years in Maryland, North Carolina, North Dakota or Utah; or
- 2 Years in all other States;

after the date on which the direct physical **damage** happened.

### C. Liberalization

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

### D. No Benefits To Bailee

No entity, other than **you**, having custody of Covered Property will benefit from this insurance.

### E. Other Insurance

1. **You** may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If **you** do, we will pay our share of the covered **damage**. Our share is the

proportion that the applicable limit of insurance under this Coverage Part bears to the limits of insurance of all insurance covering on the same basis.

2. If there is other insurance covering the same **damage**, other than that described in 1. above, we will pay only for the amount of covered **damage** in excess of the amount due from that other insurance, whether **you** can collect on it or not. But we will not pay more than the applicable limit of insurance.

#### F. Waiver of Rights of Recovery

**You** may waive **your** rights against another party in writing:

1. prior to **damage** to **your** covered property or covered income.
2. after **damage** to **your** covered property or covered income only if, at the time of **damage**, that party is one of the following:
  - a. someone insured by this insurance;
  - b. a Business;
    - 1) owned or controlled by **you**; or
    - 2) that owns or controls **you**; or
    - 3) **your** tenant.

This will not restrict **your** insurance.

#### G. Abandonment

There can be no abandonment of any property to us.

#### H. Appraisal

If we and **you** disagree on the value of the property, the amount of net income and operating expense, or the amount of **damage**, either may make written demand for an appraisal of the **damage**. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of **damage**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. pay its chosen appraiser; and
2. bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

#### I. Duties In The Event Of Damage

**You** must see that the following are done in the event of **damage** to covered property:

1. Notify the police if a law may have been broken.
2. Give us prompt written notice of the **damage**. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the **damage** happened.
4. Take all reasonable steps to protect the covered property from further **damage** by a **covered cause of loss**. If feasible, set the **damaged** property aside and in the best possible order for examination. Also keep a record



of **your** expenses for emergency and temporary repairs, for consideration in the settlement of the claim. This will not increase the limit of insurance.

5. At our request, give us complete inventories of the **damaged** and undamaged property. Include quantities, costs, values and amount of **damage** claimed.
6. Permit us to inspect the property and records proving the **damage**. Also permit us to take samples of **damaged** property for inspection, testing and analysis.
7. If requested, permit us to question **you** under oath at such times as may be reasonably required about any matter relating to this insurance or **your** claim, including **your** books and records. In such event, **your** answers must be signed.
8. Send us a signed, sworn statement of **damage** containing the information we request to investigate the claim. **You** must do this within 60 days after our request. We will supply **you** with the necessary forms.
9. Cooperate with us in the investigation or settlement of the claim.
10. Resume all or part of **your** practice as quickly as possible.

#### J. Payment for Damage

1. In the event of **damage** covered by this Coverage Part, at our option we will either:
  - a. pay the value of **damaged** property;
  - b. pay the cost of repairing or replacing the **damaged** property;
  - c. take all or any part of the property at an agreed or appraised value; or
  - d. Repair, rebuild or replace the property with other property of like kind and quality.
2. We will give notice of our intentions within 30 days after we receive the sworn statement of **damage**.
3. We will not pay **you** more than **your** financial interest in the Covered Property.
4. We may adjust **damages** with the owners of **damaged** property if other than **you**. If we pay the owners, such payments will satisfy **your** claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
5. We may elect to defend **you** against suits arising from claims of owners of property. We will do this at our expense.
6. We will pay for covered **damage** within 30 days after we receive the sworn statement of **damage** if:
  - a. **you** have complied with all of the terms of this Coverage Part; and
  - b. we have reached agreement with **you** on the amount of **damage**, or an appraisal award has been made.
7. The amount of **practice income** loss will be determined based on:
  - a. the net income of the practice before the direct physical **damage** happened;
  - b. the likely net income of the practice if no **damage** happened;
  - c. the operating expenses, including payroll expenses, necessary to resume **your** practice with the same quality of service that existed just before the direct physical **damage**; and
  - d. other relevant sources of information, including:

- 1) **your** financial records and accounting procedures;
- 2) bills, invoices and other vouchers; and
- 3) deeds, liens or contracts.

We will reduce the amount of **your practice income** recovery by any amounts paid to **you**, or to the extent **you** can resume **your** practice, in whole or in part, by using **damaged** or undamaged property, including merchandise or **stock**, at the described premises or elsewhere.

We will not pay for any loss of **practice income** caused by direct physical **damage** to **electronic media** and records after the longer of:

- a. 90 consecutive days from the date of direct physical **damage**; or
  - b. the period, beginning with the date of direct, physical **damage**, necessary to repair, rebuild or replace, with reasonable speed and similar quality, other property at the described premises due to **damage** caused by the same event.
8. If **you** sustain any **rents** or other income reduction covered under this Coverage Part which exceeds the amount of coverage, all recoveries on account of the **damage**, less the actual cost of recovery, shall be applied to the reimbursement of **you** to the extent of **your** uninsured amount less the deductible amount.

#### K. Recovered Property

If either **you** or we recover any property after **damage** settlement, that party must give the other prompt notice. At **your** option, the property will be returned to **you**. **You** must then return to us the amount we paid to **you** for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the limit of Insurance.

#### L. Vacancy

If the **building** where **damage** happens has been vacant for more than 60 consecutive days before the **damage**, we will:

1. not pay for any **damage** caused by any of the following even if they are **covered causes of loss**:
  - a. vandalism;
  - b. sprinkler leakage, unless **you** have protected the system against freezing;
  - c. **building** glass breakage;
  - d. **water damage**; or
  - e. actual or attempted theft;
2. reduce the amount we would otherwise pay for the **damage** by 15%.

A **building** is vacant when it does not contain enough **blanket dental practice personal property** to conduct customary practice, but **buildings** under construction are not considered vacant.

#### M. Mortgage Holders

1. The term "mortgage holder" includes:
  - a. any trustees;

- b. the owner of the **building** at the described premises which is leased or rented to **you**, but only during the time **you** are a tenant in that **building**;
  - c. the owner of any equipment, materials or supplies which are leased to **you**, but only while at the described premises; and
  - d. any creditor with whom **you** have entered a contract for the sale of covered property whose interest is established by written contract.
2. We will pay for covered **damage** to covered property to each mortgage holder shown on the Declarations in their order of precedence, as interests may appear.
3. The mortgage holder has the right to receive **damage** payment even if the mortgage holder has started foreclosure or similar action on the covered property.
4. If we deny **your** claim because of **your** acts or because **you** have failed to comply with the terms of this Coverage Part, the mortgage holder will still have the right to receive **damage** payment if the mortgage holder:
- a. pays any premium due under this Coverage Part at our request if **you** have failed to do so;
  - b. submits a signed, sworn statement of **damage** within 60 days after receiving notice from us of **your** failure to do so; and
  - c. has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All of the terms of this Coverage Part will then apply directly to the mortgage holder.

5. If we pay the mortgage holder for any **damage** and deny payment to **you** because of **your** acts or because **you** have failed to comply with the terms of this Coverage Part:
- a. the mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
  - b. the mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, **your** mortgage and note will be transferred to us and **you** will pay **your** remaining mortgage debt to us.

6. If we cancel this policy, we will give written notice to the mortgage holder at least:
- a. 10 days before the effective date of cancellation if we cancel for **your** nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
7. If we elect not to renew this policy, we will give written notice to the mortgage holder at least 10 days before the expiration date of this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EARTHQUAKE**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium paid, the policy is modified as follows:

**Earthquake Schedule of Locations**

<u>Location</u>	<u>Coverage</u>
4601 W 109th Street, STE #318, Overland Park, KS, 66211	\$50,000.00

For those locations listed in the Earthquake Schedule of Locations above, the following applies:

**A. The following are added to the "Covered Causes of Loss" definition in Section IV. DEFINITIONS:**

- Earthquake
- Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

**B. All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this policy will not reduce the 168-hour period.**

**C. With respect to the coverage provided by this endorsement, we will not pay for loss or **damage** caused by or resulting from:**

1. Fire, explosion (other than volcanic explosion), landslide, mine subsidence, tidal wave, flood, mudslide or mudflow, even if attributable to an Earthquake or Volcanic Eruption.
2. Any Earthquake or Volcanic Eruption that begins before the inception of this insurance.

But, if this policy replaces earthquake insurance that excludes loss or **damage** that occurs after the expiration of the policy we will pay for loss or **damage** by Earthquake or Volcanic Eruption that occurs on or after the inception of this insurance, if the series of Earthquake shocks or Volcanic Eruptions began within 168 hours prior to the inception of this insurance.

**D. Section II. EXCLUSIONS, Paragraph A.2. Earth Movement and Paragraph A.3. Volcanic Eruption does not apply.**

**E. Section III. LIMITS OF INSURANCE, Paragraph C. Deductible is replaced by the following for Earthquake and Volcanic Eruption:**

1. We will subtract a sum from the amount of loss or **damage** in any one occurrence.
  - a. The sum we subtract from each separate item will be a percentage of its value. The applicable percentage is 5%.
  - b. This Deductible applies separately to the following:
    - (1) Each building or structure;

(2). The contents of each building or structure; and

(3). Personal property in the open.

Example:

When:

The value of the property is	\$100,000
The Earthquake Deductible is	5%
The amount of loss is	\$ 20,000

Step (a):  $\$100,000 \times 5\% = \$5,000$

Step (b):  $\$20,000 - \$5,000 = \$15,000$

The most we will pay is \$15,000. The remaining \$5,000 is not covered because of the Deductible.

2. No deductible applies to the following:

- a. Practice Income; and
- b. Extra Expense.

F. The following is added to Section III. LIMITS OF INSURANCE:

The Limits of Insurance that apply to the coverage under this endorsement are stated below:

We will pay up to the Limits of Insurance shown in the Declarations for loss to **your building, blanket dental practice personal property**, extra expense and **practice income** due to damage caused by or resulting from any one occurrence of Earthquake or Volcanic Eruption.

However, we will pay no more than \$50,000.00 for the total of all loss or damage that is caused by Earthquake or Volcanic Eruption in a 12 month period (starting with the beginning of the present annual policy period) even if there is more than one Earthquake or Volcanic Eruption event during that period of time. Thus, if the first Earthquake or Volcanic Eruption does not exhaust this \$50,000.00 aggregate Limit of Insurance, then the balance of that Limit is available for a subsequent Earthquake or Volcanic Eruption.

If a single Earthquake or Volcanic Eruption begins during one annual policy period and ends during the following annual policy period, any Limit of Insurance applicable to the following annual policy period will not apply to such Earthquake or Volcanic Eruption.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-16

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2019

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**DENTIST'S EQUIPMENT BREAKDOWN COVERAGE – KANSAS**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium charged, the Policy is modified as follows:

**A. The following is added to Section IV. DEFINITIONS, "Covered Causes of Loss":**

**Additional Coverage – Dentists' Equipment Breakdown**

The term **covered cause of loss** includes the additional coverage Dentists' Equipment Breakdown as described and limited below.

1. We will pay for direct physical **damage** to covered property that is the direct result of an **accident**. As used in this additional coverage, **accident** means a fortuitous event that causes direct physical **damage** to **covered equipment**. The event must be one of the following:
  - a. mechanical breakdown, including rupture or bursting caused by centrifugal force;
  - b. artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
  - c. explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by **you**, or operated under **your** control;
  - d. loss or **damage** to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
  - e. loss or **damage** to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.
2. Unless otherwise shown in a **schedule**, the following coverages also apply to the direct result of an **accident**. These coverages do not provide additional amounts of insurance.
  - a. Expediting Expenses

With respect to **your damaged** covered property, we will pay the reasonable extra cost to:

- (1) make temporary repairs; and
- (2) expedite permanent repairs or permanent replacement.

The most we will pay for loss or expense under this coverage is \$25,000 unless otherwise shown in a **schedule**.

**b. Hazardous Substances**

We will pay **your** additional cost to repair or replace covered property because of contamination by a **hazardous substance**. This includes the additional expenses to clean up or dispose of such property.

This does not include contamination of **perishable goods** by refrigerant, including but not limited to ammonia, which is addressed in 2.c.(1)(b) below. As used in this coverage, additional costs mean those beyond what would have been payable under this Dentists' Equipment Breakdown Coverage had no **hazardous substance** been involved.

The most we will pay for loss, **damage** or expense under this coverage, including actual loss of **practice income you** sustain and necessary extra expense **you** incur, is \$25,000 unless otherwise shown in a **schedule**.

c. Spoilage

(1) We will pay:

- (a) for physical **damage** to **perishable goods** due to spoilage;
- (b) for physical **damage** to **perishable goods** due to contamination from the release of refrigerant, including but not limited to ammonia;
- (c) any necessary expenses **you** incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

(2) If **you** are unable to replace the **perishable goods** before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the **perishable goods** at the time of the **accident**, less discounts and expenses **you** otherwise would have had. Otherwise our payment will be determined in accordance with **Section III. LIMITS OF INSURANCE, E. Valuation**.

The most we will pay for loss, **damage** or expense under this coverage is \$25,000 unless otherwise shown in a **schedule**.

d. Data Restoration

We will pay for **your** reasonable and necessary cost to research, replace and restore lost **electronic media and records**.

The most we will pay for loss or expense under this coverage, including actual loss of **practice income you** sustain and necessary extra expense **you** incur, is \$25,000 unless otherwise shown in a **schedule**.

e. Service Interruption

(1) Any insurance provided for **practice income**, extra expense, or spoilage is extended to apply to **your** loss, **damage** or expense caused by the interruption of utility services. The interruption must result from an **accident** to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides **you** with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of **covered equipment** except that it is not covered property.

(2) Unless otherwise shown in a **schedule**, Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the **accident**. If the interruption exceeds 24 hours, coverage will begin at the time of the interruption, and the applicable deductible will apply.

(3) The most we will pay in any **one accident** for loss, **damage** or expense under this coverage is the applicable limit for **practice income**, extra expense, or spoilage, except that if a limit is shown in a **schedule** for Service Interruption, that limit will apply to **practice income** and extra expense loss under this coverage.

h. Practice Income and Extra Expense

Any insurance provided under this policy for **practice income** or extra expense is extended to the coverage provided by this endorsement. However, if a deductible is shown in a **schedule**, then as respects Dentists' Equipment Breakdown coverage, the **period of restoration** will begin immediately after the **accident**, and the deductible shown in the **schedule** will apply. The most we will pay for loss or expense under this

coverage is the applicable limit for **practice income** and extra expense, unless otherwise shown in a **schedule**.

**B.** The following is added to **II. EXCLUSIONS**:

**Dentists' Equipment Breakdown Exclusions**

All exclusions in **your** policy apply except as modified below and to the extent that coverage is specifically provided by this endorsement.

**1.** The following exclusion is modified:

**a.** As respects this endorsement only, the following is added to **II. EXCLUSIONS B.**:

But if any of the following excluded causes of loss result in an **accident**, we will pay for the loss, **damage** or expense caused by that **accident**:

- a.** wear and tear;
- b.** rust, corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to **damage** or destroy itself;
- c.** smog;
- d.** settling, cracking, shrinking or expansion; or
- e.** nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals.

**2.** The following exclusions are added:

**a.** We will not pay for loss, **damage** or expense caused by or resulting from:

- (1)** **your** failure to use all reasonable means to protect covered property from **damage** following an **accident**;
- (2)** a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment; or
- (3)** any of the following:
  - (a)** defect, programming error, programming limitation, computer virus, malicious code, loss of data, loss of access, loss of use, loss of functionality or other condition within or involving **electronic media and records** of any kind; or
  - (b)** misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.

However, if an **accident** results, we will pay for the resulting loss, **damage** or expense caused by that **accident**.

- b.** With respect to Service Interruption coverage, we will also not pay for an **accident** caused by or resulting from: fire; lightning; windstorm or hail; explosion (except as specifically provided in **A.1.c.** above); smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; **falling objects**; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.
- c.** With respect to **practice income**, extra expense and Service Interruption coverages, we will also not pay for:
  - (1)** loss caused by **your** failure to use due diligence and dispatch and all reasonable means to resume business; or



(2) any increase in loss resulting from an agreement between **you** and **your** customer or supplier.

- d. We will not pay for loss, **damage** or expense caused directly or indirectly by the following, whether or not caused by or resulting from an **accident**: Any fungus, wet rot or dry rot, including any presence, growth, proliferation, spread or any activity of fungus, wet rot or dry rot. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such fungus, wet rot or dry rot. However, this exclusion does not apply to spoilage of **blanket dental practice personal property** that is **perishable goods**, to the extent that such spoilage is covered under spoilage coverage.
- e. We will not pay for any loss or **damage** to animals.

### C. DEDUCTIBLES

The deductible in the Declarations applies unless a separate Dentists' Equipment Breakdown deductible is shown in a **schedule**. If a separate Dentists' Equipment Breakdown deductible is shown, the following applies.

Only as regards Dentists' Equipment Breakdown Coverage, **III. LIMITS OF INSURANCE, C. Deductible** is deleted and replaced with the following:

#### 1. Deductibles for Each Coverage

- a. Unless the **schedule** indicates that **your** deductible is combined for all coverages, multiple deductibles may apply to any **one accident**.
- b. We will not pay for loss, **damage** or expense under any coverage until the amount of the covered loss, **damage** or expense exceeds the deductible amount indicated for that coverage in the **schedule**. We will then pay the amount of loss, **damage** or expense in excess of the applicable deductible amount, subject to the applicable limit.
- c. If deductibles vary by type of **covered equipment** and more than one type of **covered equipment** is involved in any **one accident**, only the highest deductible for each coverage will apply.

#### 2. Direct and Indirect Coverages

- a. Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the **schedule**.
- b. Unless more specifically indicated in the **schedule**:
  - (1) Indirect Coverages Deductibles apply to **practice income** and extra expense loss; and
  - (2) Direct Coverages Deductibles apply to all remaining loss, **damage** or expense covered by this endorsement.

#### 3. Application of Deductibles

##### a. Dollar Deductibles

We will not pay for loss, **damage** or expense resulting from any **one accident** until the amount of loss, **damage** or expense exceeds the applicable Deductible shown in the **schedule**. We will then pay the amount of loss, **damage** or expense in excess of the applicable Deductible or Deductibles, up to the applicable limit of insurance.

##### b. Time Deductible

If a time deductible is shown in the **schedule**, we will not be liable for any loss occurring during the specified number of hours or days immediately following the **accident**. If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

##### c. Multiple of Average Daily Value (ADV)

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the **practice income** (as defined in any **practice income** coverage that is part of this policy) that would have been earned during the period of interruption of business had no **accident** occurred, divided by the number of working days in that period. No reduction shall be made for the **practice income** not being earned, or in the number of working days, because of the **accident** or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the **practice income** value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the **period of restoration**. The number indicated in the **schedule** will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

d. Percentage of Loss Deductibles

If a deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss, **damage** or expense (prior to any applicable deductible or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

## D. CONDITIONS

The following Conditions apply in addition to **Section V. CONDITIONS** and the Common Policy Conditions.

### 1. Suspension

Whenever **covered equipment** is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an **accident** to that **covered equipment**. This can be done by mailing or delivering a written notice of suspension to:

- a. **your** last known address; or
- b. the address where the **covered equipment** is located.

Once suspended in this way, **your** insurance can be reinstated only by an endorsement for that **covered equipment**. If we suspend **your** insurance, **you** will get a pro rata refund of premium for that **covered equipment** for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

### 2. Jurisdictional Inspections

If any property that is **covered equipment** under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on **your** behalf. We do not warrant that conditions are safe or healthful.

If the **covered equipment** being insured is a Steam Boiler and subject to KSA 44-923 (SB7), that Steam Boiler will be inspected at least annually by our representative, pursuant to KSA 44-920.

### 3. Environmental, Safety and Efficiency Improvements

If **covered equipment** requires replacement due to an **accident**, we will pay **your** additional cost to replace with equipment that is better for the environment, safer for people, or more energy or water efficient than the equipment being replaced.

However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not apply to the replacement of component parts or to any property to which Actual Cash Value applies and does not increase any of the applicable limits.

### 4. Coinsurance

If a coinsurance percentage is shown in a **schedule** for specified coverages, the following condition applies.

We will not pay for the full amount of **your** loss if the applicable limit is less than the product of the specified coinsurance percentage times the value of the property subject to the coverage at the time of the loss. Instead, we will determine what percentage this calculated product is compared to the applicable limit and apply that percentage to the gross amount of loss. We will then subtract the applicable deductible. The resulting amount, or the applicable limit, is the most we will pay. We will not pay for the remainder of the loss. Coinsurance applies separately to each insured location.

E. The following definitions are added:

**“Boilers and Vessels”** means:

- A. any boiler, including attached steam, condensate and feedwater piping; and
- B. any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this endorsement, but may appear in a **schedule**.

**“Covered Equipment”** means:

- A. Unless otherwise specified in a **schedule**, covered property:
  - 1. that generates, transmits or utilizes energy; or
  - 2. which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

**Covered equipment** may utilize conventional design and technology or new or newly commercialized design and technology.

- B. None of the following is **covered equipment**:
  - 1. structure, foundation, cabinet or compartment;
  - 2. insulating or refractory material;
  - 3. sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system;
  - 4. water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
  - 5. **vehicle** or any equipment mounted on a **vehicle**;
  - 6. satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
  - 7. dragline, excavation or construction equipment; or
  - 8. equipment manufactured by **you** for sale.

**“Hazardous Substance”** means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

**“One Accident”** means: If an initial **accident** causes other **accidents**, all will be considered **one accident**. All **accidents** that are the result of the same event will be considered **one accident**.

**“Perishable Goods”** means **blanket dental practice personal property** maintained under controlled conditions for its preservation, and susceptible to loss or **damage** if the controlled conditions change.

**“Production Machinery”** means any machine or apparatus that processes or produces a product intended for eventual sale. This includes all component parts of such machine or apparatus and any other equipment used exclusively with such machine or apparatus. However, **production machinery** does not mean any boiler, or fired or unfired pressure vessel.

This term does not appear elsewhere in this endorsement, but may appear in a **schedule**.

**“Schedule”** means the Dentists’ Equipment Breakdown Coverage Schedule.

**“Vehicle”** means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. **Vehicle** includes, but is not limited to: car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.

However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a **vehicle**.

The most we will pay for loss, **damage** or expense under this endorsement arising from any **one accident** is the applicable limit of insurance in the Declarations unless otherwise shown in a **schedule**. Coverage provided under this endorsement does not provide an additional amount of insurance.

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL  
PROPERTY AND INCOME COVERAGE PART  
DENTISTS' EQUIPMENT BREAKDOWN COVERAGE SCHEDULE**

*Dentists' Equipment Breakdown is subject to the limits of insurance shown in the Declarations except as specifically shown below.*

*These coverages apply to all locations covered on the policy, unless otherwise specified.*

<b>Coverages</b>	<b>Limits</b>
*****	
Dentists' Equipment Breakdown Limit	\$819,120
Practice Income	Limits Shown on Dec Page
Extra Expense	\$25,000
Expediting Expenses	\$25,000
Hazardous Substances	\$25,000
Spoilage	\$25,000
Data Restoration	\$25,000
Service Interruption	Practice Income Limits and Spoilage Limit

**Deductibles**

*****	
Combined, All Coverages	Shown Dec Page
Direct Coverages	Shown Dec Page
Indirect Coverages	Shown Dec Page
Spoilage	Shown Dec Page

**Other Conditions**

\*\*\*\*\*  
4601 W 109th Street, STE #318, Overland Park, KS, 66211

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****FLOOD OR OTHER WATER DAMAGE COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium paid, the policy is modified as follows:

A. Solely for those locations set forth in the **FLOOD OR OTHER WATER DAMAGE COVERAGE SCHEDULE OF LOCATIONS** below and only for the Covered Property and Limit of Insurance scheduled below:

1. Section II. **EXCLUSIONS**, Paragraph A.7. Water, is deleted in its entirety;
2. Section IV. **DEFINITIONS**, Paragraph A. Collapse in the "Covered Causes of Loss" definition is amended by the addition of the following:

g. **flood or other water damage.**

**FLOOD OR OTHER WATER DAMAGE COVERAGE SCHEDULE OF LOCATIONS**

Location	Covered Property	Limit of Insurance
4601 W 109th Street, STE #318, Overland Park, KS, 66211	All covered property	\$50,000

**B. Deductible**

The Deductible, if any, in this Coverage Part is replaced by the following with respect to **flood or other water damage**:

1. Except for the locations listed in the **SPECIAL FLOOD OR OTHER WATER DAMAGE DEDUCTIBLE SCHEDULE**, we will not pay for loss or **damage** in any one occurrence until the amount of loss or **damage** exceeds \$5,000. We will then pay the amount of loss or **damage** in excess of the Deductible, up to the Limit of Insurance shown in the **FLOOD OR OTHER WATER DAMAGE COVERAGE SCHEDULE OF LOCATIONS**.
2. When Covered Property at a location listed in the **SPECIAL FLOOD OR OTHER WATER DAMAGE DEDUCTIBLE SCHEDULE** is lost or **damaged**, we will not pay for loss or **damage** in any one occurrence until the amount of loss or **damage** exceeds the Deductible Amount indicated in the Schedule. We will then pay the amount of the loss or **damage** in excess of the Deductible Amount up to the Limit of Insurance shown in the **FLOOD OR OTHER WATER DAMAGE COVERAGE SCHEDULE OF LOCATIONS**.

**SPECIAL FLOOD OR OTHER WATER DAMAGE DEDUCTIBLE SCHEDULE**

Location	Covered Property	Deductible Amount
4601 W 109th Street, STE #318, Overland Park, KS, 66211	All covered property	\$5,000

**C. Special Flood or Other Water Damage Limits of Insurance**

When the **covered cause of loss** is **flood** or **other water damage**:

1. Subject to Paragraph 2. below, the most we will pay for loss or **damage** in any one occurrence at any one location indicated in the **FLOOD OR OTHER WATER DAMAGE COVERAGE SCHEDULE OF LOCATIONS** will be the Limit of Insurance shown in such schedule.
2. The most we will pay for loss or **damage** in this policy period is \$50,000.

**D. Supplemental Conditions**

Coverage provided under this endorsement does not apply to Covered Property in transit.

**E. Section I. COVERAGE AGREEMENTS, Paragraph B.1., Covered Related Expenses, Back Up of Sewer or Drain** does not apply at any location where this endorsement applies.

**F. Definitions**

1. "**Flood**" means a general and temporary condition of partial or complete inundation of normally dry land areas, whether caused by natural occurrences, acts or omissions of man or any other cause or combination of causes.

All flooding in a continuous or protracted event will constitute a single flood.

2. "**Other Water Damage**" means:

- a. Mudslide or mudflow;
- b. Water under the ground surface pressing on, or flowing or seeping through:
  - (1) Foundations, walls, floors or paved surfaces;
  - (2) Basements, whether paved or not; or
  - (3) Doors, windows or other openings.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-16

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2019

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMPUTER VIRUS AND SYSTEM PENETRATION EXCLUSION**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium charged, the Policy is modified as follows:

A. The following are added to Section II. **EXCLUSIONS**, Paragraph A.:

A "**Computer Virus**";

"**System Penetration**"

B. Section IV. **DEFINITIONS** is amended to include the following:

"**Computer Virus**" means any **electronic data** introduced or implanted without authorization into electronic data processing equipment or **electronic data** which causes the corruption, distortion, deletion, destruction, unauthorized copying or loss of functionality of **electronic data**.

"**Electronic Data**" means information, programs or instructions that have been converted to a form usable in electronic data processing systems.

"**System Penetration**" means the intentional and malicious use of a computer to obtain unauthorized access to information and resources stored on electronic data processing equipment in the form of **electronic data**.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CONCURRENT CAUSATION, EARTH MOVEMENT AND WATER  
EXCLUSION CHANGES**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium paid, the policy is modified as follows:

- I. Section II. **EXCLUSIONS**, Paragraph A. is deleted in its entirety and replaced by the following:
  - A. We will not pay for loss or **damage** directly or indirectly caused by or resulting from any of the following regardless of: (a) the causes of the excluded event; or (b) other causes of the loss; or (c) any other causes or events, whether or not insured under this Policy, which may have contributed concurrently or in any sequence with the excluded event to produce the loss; or (d) whether the event occurred suddenly or gradually, involved isolated or widespread damage, arose from natural or external forces or acts or omissions of man, or occurred as a result of any combination of any of the following:
    1. Ordinance or Law  
  
The enforcement of any ordinance or law:
      - a. regulating the construction, use or repair of any property; or
      - b. requiring the tearing down of any property, including the cost of removing its debris.
    2. Earth Movement  
  
Any earth movement other than **sinkhole collapse**, such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting.  
  
Also, earth movement, as described above applies to acts or omissions of man or any other cause or combination of causes shown above. If **damage** by fire or explosion results, we will pay for that resulting **damage**.
    3. Volcanic Eruption  
  
Any volcanic eruption, explosion or effusion. If **damage** by fire, **building glass breakage** or **volcanic action results**, we will pay for that resulting **damage**.
    4. Governmental Action  
  
Seizure or destruction of property by order of governmental authority.  
  
We will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this coverage part.
    5. Nuclear reaction or radiation, or radioactive contamination, however caused.  
  
If **damage** by fire results, we will pay for that resulting **damage**.

6. War And Military Action

- a. war, including undeclared or civil war;
- b. warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. Water

- a. **Flood**, surface water, waves, tides, tidal waves, overflow of any body of water, including release of water held by a dam, levy or dike or by a water or flood control device, or their spray, all whether driven by wind or not;
- b. Mudslide or mudflow;
- c. Water that backs up from a sewer or drain except as provided under the covered related expenses;
- d. Water under the ground surface pressing on, or flowing or seeping through:
  - (1) foundations, walls, floors or paved surfaces;
  - (2) basements, whether paved or not; or
  - (3) doors, windows or other openings.

But if **damage** by fire, explosion or sprinkler leakage results, we will pay for that resulting **damage**.

- II. Wherever the word "flood" appears in the Building, Blanket Dental Practice Personal Property and Income Coverage Part, it is amended to a defined term, as per the following, and supersedes and replaces any other definition of "flood":

**"Flood"** means a general and temporary condition of partial or complete inundation of normally dry land areas, whether caused by natural occurrences, acts or omissions of man or any other cause or combination of causes.

All flooding in a continuous or protracted event will constitute a single flood.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGI, WET ROT, DRY ROT AND MICROBE EXCLUSION**

This endorsement modifies insurance provided under the following:

### **BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium paid, the policy is modified as follows:

**A.** The following is added to Section II. **EXCLUSIONS**, Paragraph **A.**:

#### **Fungi, Wet Rot, Dry Rot and Microbes**

Presence, growth, proliferation, spread or any activity of **fungi**, wet or dry rot or **microbes**.

This exclusion does not apply when **fungi**, wet or dry rot or **microbes** result from fire or lightning.

**B.** Section II. **EXCLUSIONS**, Paragraph **B.5.**, is deleted in its entirety and replaced by the following:

**5.** Rust, or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to **damage** or destroy itself;

**C.** The following is added to Section II. **EXCLUSIONS**, Paragraph **B.**:

The following causes of:

- (a)** Dampness or dryness of atmosphere;
- (b)** Changes in or extremes of temperature; or
- (c)** Marring or scratching.

**D.** Section II. **EXCLUSIONS**, Paragraph **B.11.**, is deleted in its entirety and replaced by the following:

**11.** Continuous or repeated discharge, seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

**E.** Section IV. **DEFINITIONS** is amended to include the following:

**"Fungi"** means any form of fungus, including but not limited to, yeast, mold, mildew, rust, smut or mushroom, and including any spores, mycotoxins, odors, or any other substances, products, or byproducts produced by, released by, or arising out of the current or past presence of **fungi**. But **fungi** does not include any **fungi** intended by the insured for consumption.

**"Microbe"** means any non-fungal microorganism or non-fungal colony-form organism that causes infection or disease. **Microbe** includes any spores, mycotoxins, odors, or any other substances, products, or byproducts produced by, released by, or arising out of the current or past presence of **microbes**.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**INCREASED LIMITS DENTIST'S ELECTRONIC EQUIPMENT**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium charged, the Policy is modified as follows:

New Limit for Location: 4601 W 109th Street, STE #318, Overland Park, KS, 66211

The limit of insurance for **dentist's electronic equipment** with extra expense, as stated in the Building, Blanket Dental Practice Personal Property and Income Coverage Part is deleted and replaced as follows:

\$100,000

The sub limit of \$2,500 for **practice income** for **dentist's electronic equipment** as stated and as applicable in the form remains unchanged.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-16

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2019

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

### BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART

In consideration of the premium paid, the policy is modified as follows:

#### SCHEDULE

Description of Property	Loss Payee (Name & Address)	Provisions Applicable		
		Loss Payable	Lender's Loss Payable	Contract of Sale
BPP	UMB BANK, its successors and/or Assigns 1008 Oak St, Kansas City, MO, 64106	<b>X</b>		

A. The following is added to Section V. **CONDITIONS**, Paragraph J. Payment for **Damage**, as indicated by an "X" in the Schedule:

#### B. LOSS PAYABLE

For covered property in which both **you** and a Loss Payee shown in the Schedule have an insurable interest, we will:

1. Adjust losses with **you**; and
2. Pay any **claim** for loss or **damage** jointly to **you** and the Loss Payee, as interests may appear.

#### C. LENDER'S LOSS PAYABLE

1. The Loss Payee shown in the Schedule is a creditor, including a mortgageholder or trustee, whose interest in covered property is established by such written instruments as:
  - a. Warehouse receipts;
  - b. A contract or deed;
  - c. Bills of lading;
  - d. Financing statements; or
  - e. Mortgages, deeds of trust, or security agreements.
2. For covered property in which both **you** and a Loss Payee have an insurable interest:
  - a. We will pay for covered loss or **damage** to each Loss Payee in their order of precedence, as interests may appear.
  - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the covered property.
  - c. If we deny your **claim** because of **your** acts or because **you** have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- 1) Pays any premium due under the Coverage Part at our request if **you** have failed to do so;
- 2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of **your** failure to do so; and
- 3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any loss or **damage** and deny payment to **you** because of **your** acts or because **you** have failed to comply with the terms of this Coverage Part:

- 1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- 2) The Loss Payee's right to recover the full amount of the Loss Payee's **claim** will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, **you** will pay **your** remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
  - a. 10 days before the effective date of cancellation if we cancel for **your** nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

#### D. CONTRACT OF SALE

1. The Loss Payee shown in the Schedule is a person or organization with whom **you** have entered a contract for the sale of covered property.
2. For covered property in which both **you** and the Loss Payee have an insurable interest, we will:
  - a. Adjust losses with **you**; and
  - b. Pay any claim for loss or **damage** jointly to **you** and the Loss Payee, as interests may appear.
3. The following is added to the Other Insurance Condition:

For covered property that is the subject of a contract of sale, the word **you** includes the Loss Payee.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-16

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2019

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium paid, the policy is modified as follows:

**SCHEDULE**

Description of Property	Loss Payee (Name & Address)	Provisions Applicable		
		Loss Payable	Lender's Loss Payable	Contract of Sale
Dental Personal Property	U.S. Bank - Commercial Loan Services 400 City Center, Oshkosh, WI, 54901	<b>X</b>		

A. The following is added to Section V. **CONDITIONS**, Paragraph J. Payment for **Damage**, as indicated by an "X" in the Schedule:

**B. LOSS PAYABLE**

For covered property in which both **you** and a Loss Payee shown in the Schedule have an insurable interest, we will:

1. Adjust losses with **you**; and
2. Pay any **claim** for loss or **damage** jointly to **you** and the Loss Payee, as interests may appear.

**C. LENDER'S LOSS PAYABLE**

1. The Loss Payee shown in the Schedule is a creditor, including a mortgageholder or trustee, whose interest in covered property is established by such written instruments as:
  - a. Warehouse receipts;
  - b. A contract or deed;
  - c. Bills of lading;
  - d. Financing statements; or
  - e. Mortgages, deeds of trust, or security agreements.
2. For covered property in which both **you** and a Loss Payee have an insurable interest:
  - a. We will pay for covered loss or **damage** to each Loss Payee in their order of precedence, as interests may appear.
  - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the covered property.
  - c. If we deny your **claim** because of **your** acts or because **you** have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:



- 1) Pays any premium due under the Coverage Part at our request if **you** have failed to do so;
- 2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of **your** failure to do so; and
- 3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any loss or **damage** and deny payment to **you** because of **your** acts or because **you** have failed to comply with the terms of this Coverage Part:

- 1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- 2) The Loss Payee's right to recover the full amount of the Loss Payee's **claim** will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, **you** will pay **your** remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
  - a. 10 days before the effective date of cancellation if we cancel for **your** nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

#### **D. CONTRACT OF SALE**

1. The Loss Payee shown in the Schedule is a person or organization with whom **you** have entered a contract for the sale of covered property.
2. For covered property in which both **you** and the Loss Payee have an insurable interest, we will:
  - a. Adjust losses with **you**; and
  - b. Pay any claim for loss or **damage** jointly to **you** and the Loss Payee, as interests may appear.
3. The following is added to the Other Insurance Condition:

For covered property that is the subject of a contract of sale, the word **you** includes the Loss Payee.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-16

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2019

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium paid, the policy is modified as follows:

**SCHEDULE**

Description of Property	Loss Payee (Name & Address)	Provisions Applicable		
		Loss Payable	Lender's Loss Payable	Contract of Sale
Dental Personal Property	Choice Health Finance Central 1310 Madrid Street, STE 104, Marshall, MN, 56258	X		

A. The following is added to Section V. **CONDITIONS**, Paragraph J. Payment for **Damage**, as indicated by an "X" in the Schedule:

**B. LOSS PAYABLE**

For covered property in which both **you** and a Loss Payee shown in the Schedule have an insurable interest, we will:

1. Adjust losses with **you**; and
2. Pay any **claim** for loss or **damage** jointly to **you** and the Loss Payee, as interests may appear.

**C. LENDER'S LOSS PAYABLE**

1. The Loss Payee shown in the Schedule is a creditor, including a mortgageholder or trustee, whose interest in covered property is established by such written instruments as:
  - a. Warehouse receipts;
  - b. A contract or deed;
  - c. Bills of lading;
  - d. Financing statements; or
  - e. Mortgages, deeds of trust, or security agreements.
2. For covered property in which both **you** and a Loss Payee have an insurable interest:
  - a. We will pay for covered loss or **damage** to each Loss Payee in their order of precedence, as interests may appear.
  - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the covered property.
  - c. If we deny your **claim** because of **your** acts or because **you** have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- 1) Pays any premium due under the Coverage Part at our request if **you** have failed to do so;
- 2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of **your** failure to do so; and
- 3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any loss or **damage** and deny payment to **you** because of **your** acts or because **you** have failed to comply with the terms of this Coverage Part:

- 1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- 2) The Loss Payee's right to recover the full amount of the Loss Payee's **claim** will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, **you** will pay **your** remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
  - a. 10 days before the effective date of cancellation if we cancel for **your** nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

#### **D. CONTRACT OF SALE**

1. The Loss Payee shown in the Schedule is a person or organization with whom **you** have entered a contract for the sale of covered property.
2. For covered property in which both **you** and the Loss Payee have an insurable interest, we will:
  - a. Adjust losses with **you**; and
  - b. Pay any claim for loss or **damage** jointly to **you** and the Loss Payee, as interests may appear.
3. The following is added to the Other Insurance Condition:

For covered property that is the subject of a contract of sale, the word **you** includes the Loss Payee.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-16

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2019

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium paid, the policy is modified as follows:

**SCHEDULE**

Description of Property	Loss Payee (Name & Address)	<u>Provisions Applicable</u>		
		Loss Payable	Lender's Loss Payable	Contract of Sale
Dental Personal Property	Foxhill Medical LLC / Ronald D. Bowman Trust 3401 College Blvd, Suite 250, Leawood, KS, 66211	X		

A. The following is added to Section V. **CONDITIONS**, Paragraph J. Payment for **Damage**, as indicated by an "X" in the Schedule:

**B. LOSS PAYABLE**

For covered property in which both **you** and a Loss Payee shown in the Schedule have an insurable interest, we will:

1. Adjust losses with **you**; and
2. Pay any **claim** for loss or **damage** jointly to **you** and the Loss Payee, as interests may appear.

**C. LENDER'S LOSS PAYABLE**

1. The Loss Payee shown in the Schedule is a creditor, including a mortgageholder or trustee, whose interest in covered property is established by such written instruments as:
  - a. Warehouse receipts;
  - b. A contract or deed;
  - c. Bills of lading;
  - d. Financing statements; or
  - e. Mortgages, deeds of trust, or security agreements.
2. For covered property in which both **you** and a Loss Payee have an insurable interest:
  - a. We will pay for covered loss or **damage** to each Loss Payee in their order of precedence, as interests may appear.
  - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the covered property.
  - c. If we deny your **claim** because of **your** acts or because **you** have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- 1) Pays any premium due under the Coverage Part at our request if **you** have failed to do so;
- 2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of **your** failure to do so; and
- 3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any loss or **damage** and deny payment to **you** because of **your** acts or because **you** have failed to comply with the terms of this Coverage Part:

- 1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- 2) The Loss Payee's right to recover the full amount of the Loss Payee's **claim** will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, **you** will pay **your** remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
  - a. 10 days before the effective date of cancellation if we cancel for **your** nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

#### **D. CONTRACT OF SALE**

1. The Loss Payee shown in the Schedule is a person or organization with whom **you** have entered a contract for the sale of covered property.
2. For covered property in which both **you** and the Loss Payee have an insurable interest, we will:
  - a. Adjust losses with **you**; and
  - b. Pay any claim for loss or **damage** jointly to **you** and the Loss Payee, as interests may appear.
3. The following is added to the Other Insurance Condition:

For covered property that is the subject of a contract of sale, the word **you** includes the Loss Payee.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-16

Issued by: Aspen American Insurance Company

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Effective date: 06/16/2019

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium paid, the policy is modified as follows:

**SCHEDULE**

Description of Property	Loss Payee (Name & Address)	<u>Provisions Applicable</u>		
		Loss Payable	Lender's Loss Payable	Contract of Sale
Lease #: 3047899	Elavon, Inc. 7300 Chapman Highway, Knoxville, TN, 37920	X	X	

A. The following is added to Section V. **CONDITIONS**, Paragraph J. Payment for **Damage**, as indicated by an "X" in the Schedule:

**B. LOSS PAYABLE**

For covered property in which both **you** and a Loss Payee shown in the Schedule have an insurable interest, we will:

1. Adjust losses with **you**; and
2. Pay any **claim** for loss or **damage** jointly to **you** and the Loss Payee, as interests may appear.

**C. LENDER'S LOSS PAYABLE**

1. The Loss Payee shown in the Schedule is a creditor, including a mortgageholder or trustee, whose interest in covered property is established by such written instruments as:
  - a. Warehouse receipts;
  - b. A contract or deed;
  - c. Bills of lading;
  - d. Financing statements; or
  - e. Mortgages, deeds of trust, or security agreements.
2. For covered property in which both **you** and a Loss Payee have an insurable interest:
  - a. We will pay for covered loss or **damage** to each Loss Payee in their order of precedence, as interests may appear.
  - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the covered property.
  - c. If we deny your **claim** because of **your** acts or because **you** have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- 1) Pays any premium due under the Coverage Part at our request if **you** have failed to do so;
- 2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of **your** failure to do so; and
- 3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any loss or **damage** and deny payment to **you** because of **your** acts or because **you** have failed to comply with the terms of this Coverage Part:

- 1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- 2) The Loss Payee's right to recover the full amount of the Loss Payee's **claim** will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, **you** will pay **your** remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
  - a. 10 days before the effective date of cancellation if we cancel for **your** nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

#### **D. CONTRACT OF SALE**

1. The Loss Payee shown in the Schedule is a person or organization with whom **you** have entered a contract for the sale of covered property.
2. For covered property in which both **you** and the Loss Payee have an insurable interest, we will:
  - a. Adjust losses with **you**; and
  - b. Pay any claim for loss or **damage** jointly to **you** and the Loss Payee, as interests may appear.
3. The following is added to the Other Insurance Condition:

For covered property that is the subject of a contract of sale, the word **you** includes the Loss Payee.

All other provisions of this Policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-16

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2019

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ORDINANCE OR LAW COVERAGE**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium charged, the policy is modified as follows:

**SCHEDULE\***

Bldg. Premises	Coverage 1. Limit of Insurance	Coverage 2. Limit of Insurance	Coverage 3. Limit of Insurance	Combined 1, 2 & 3 Limit of Insurance**
Each insured location shown herein.				\$100,000

\* Information required to complete the Schedule, if not shown on this endorsement, will be shown in the Declarations.

\*\* The Blanket 1., 2. & 3. limit always applies to each listed insured location.

A. Coverage 1., Coverage 2., Coverage 3. or Combined 1., 2. & 3. is provided under this endorsement only if that Coverage(s) is chosen by entry in the above Schedule and then, only with respect to the building property identified for that Coverage(s) in the Schedule up to the limit of insurance stated.

This limit of insurance is the most we will pay for loss or **damage** caused by **covered causes of loss** and as a result of the enforcement of any ordinance or law. The limits applicable to the building as stated in the Declarations for the Building, Blanket Dental Practice Personal Property and Income Coverage Part do not apply to Coverage 1., 2., 3. or Combined 1., 2. & 3. The ordinance or law exclusion within the Building, Blanket Dental Practice Personal Property and Income Coverage Part prevents and restricts coverage.

B. We will not pay under this endorsement for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

**C. Coverage****1. Coverage 1. - Coverage For Loss To The Undamaged Portion Of The Building**

If a **covered cause of loss** occurs to covered building property, we will pay under Coverage 1. for the loss in value of the undamaged portion of the building as a result of enforcement of any ordinance or law that:

- a. Requires the demolition of parts of the same property not **damaged** by a **covered cause of loss**;
- b. Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- c. Is in force at the time of loss.



2. Coverage 2. – Demolition Cost Coverage

If a **covered cause of loss** occurs to covered building property, we will pay the cost to demolish and clear the site of undamaged parts of the property resulting from enforcement of building, zoning or land use ordinance or law.

3. Coverage 3. – Increased Cost of Construction Coverage

a. If a **covered cause of loss** occurs to the covered building property, we will pay for the increased cost to:

- 1) Repair or reconstruct **damaged** portions of that building property; and/or
- 2) Reconstruct or remodel undamaged portions of that building property, whether or not demolition is required;

when the increased cost is a result of enforcement of building, zoning or land use ordinance or law.

However:

- 1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
  - 2) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.
- b. When covered building property is **damaged** or destroyed by a **covered cause of loss** and Coverage 3. applies to that property in accordance with **3.a.** above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in **3.a.**:

- 1) The cost of excavations, grading, backfilling and filling;
- 2) Foundation of the building;
- 3) Pilings; and
- 4) Underground pipes, flues and drains.

The items listed in **b.1)** through **b.4)** above are deleted from Property Not Covered, but only with respect to the coverage described in this provision, **3.b.**

4. Coverage Ordinance or Law – Increased Period of Restoration

a. When:

- 1) A **covered cause of loss** occurs to property at the described premises; and
- 2) The Declarations sets forth that you have coverage for Business Income and Extra Expense;

you may extend that insurance to apply to the amount of actual loss of Business Income you sustain and reasonable and necessary Extra Expense you incur during the increased period of suspension of operations caused by or resulting from the enforcement of any ordinance or law that:

- 1) Regulates the construction, repair or replacement of any property;
- 2) Requires the tearing down or replacement of any parts of property not damaged by a **covered cause of loss**; and

- 3) Is in force at the time of loss.
- b. This Coverage Extension applies only to the period that would be required, with reasonable speed, to reconstruct, repair or replace the property to comply with the minimum requirements of the ordinance or law.
- c. This Coverage Extension does not apply to:
  - 1) Loss due to an ordinance or law that:
    - a) You were required to comply with before the loss, even if the property was undamaged; and
    - b) You failed to comply with; or
  - 2) Costs associated with the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **pollutants**.
- d. The most we will pay for loss under this Coverage Extension in any one occurrence is \$25,000 at each described premises.
- e. Payments made under this Coverage Extension are in addition to the applicable limits of insurance.

**D. Limited Building Coverage – Tenant Obligation**

1. If, at the insured location described herein:
  - a. **you** are a tenant; and
  - b. **you** are contractually obligated to repair or replace that part of a building **you** occupy as a tenant; and
  - c. a limit of insurance is shown above;

Then this insurance applies to direct physical loss of or **damage** to that part of a building **you** occupy as a tenant caused by or resulting from a **covered cause of loss** other than theft or attempted theft.

2. This Coverage Extension does not apply to any otherwise covered:
  - a. Building glass; or
  - b. Tenants improvements and betterments as described in the Building, Blanket Dental Practice Personal Property and Income Coverage Part.
3. The most we will pay under this Coverage Extension in any one occurrence is \$100,000 at each insured location.

**E. Loss Payment**

1. When Coverage 1. applies, loss to the building, including loss in value of the undamaged portion of the building due to enforcement of an ordinance or law, will be determined as follows:
  - a. If the Replacement Cost Coverage option applies and the property is repaired or replaced, on the same or another premises, we will not pay more than the lesser of:
    - 1) The amount **you** actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
    - 2) The limit of insurance shown in the schedule applicable to Coverage 1.

- b. If the Replacement Cost Coverage Option applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:
  - 1) The actual cash value of the building at the time of loss; or
  - 2) The limit of insurance shown in the schedule applicable to Coverage 1.
- 2. Unless paragraph E.4. applies, loss payment under Coverage 2. – Demolition Cost Coverage will be determined as follows:

We will not pay more than the lesser of the following:

  - a. The amount **you** actually spend to demolish and clear the site of the described premises; or
  - b. The applicable Limit of Insurance shown for Coverage 2. in the Schedule above.
- 3. Unless paragraph E.4. applies, loss payment under Coverage 3. – Increased Cost of Construction Coverage will be determined as follows:
  - a. We will not pay under Coverage 3.:
    - 1) Until the property is actually repaired or replaced, at the same or another premises; and
    - 2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or **damage**, not to exceed two years. We may extend this period in writing during the two years.
  - b. If the building is repaired or replaced at the same premises, or if **you** elect to rebuild at another premises, the most we will pay under Coverage 3. is the lesser of:
    - 1) The increased cost of construction at the same premises; or
    - 2) The applicable Limit of Insurance shown for Coverage 3. in the Schedule above.
  - c. If the ordinance or law requires relocation to another premises, the most we will pay under Coverage 3. is the lesser of:
    - 1) The increased cost of construction at the new premises; or
    - 2) The applicable Limit of Insurance shown for Coverage 3. in the Schedule above.
- 4. If a Blanket Limit of Insurance is shown for Coverages 1., 2. and 3. in the Schedule above, paragraphs E.1., E.2. and E.3. of this endorsement do not apply with respect to the building property that is subject to the Combined Limit, and the following loss payment provisions apply instead:

The most we will pay, for the total of all covered losses for Loss to the Undamaged Portion of the Building, Demolition Cost and Increased Cost of Construction, is the Combined Limit of Insurance shown for Coverages 1., 2. and 3. in the Schedule above. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

- a. Loss to the Undamaged Portion of the Building.
  - 1) If the Replacement Cost Coverage option applies and the property is repaired or replaced, on the same or another premises, we will not pay more than the amount **you** actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured.

- 2) If the Replacement Cost Coverage option applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the actual cash value of the building at the time of loss.
- b. For Demolition Cost, we will not pay more than the amount **you** actually spend to demolish and clear the site of the described premises.
  - c. With respect to the Increased Cost of Construction:
    - 1) We will not pay for the increased cost of construction:
      - a) Until the property is actually repaired or replaced, at the same or another premises; and
      - b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or **damage**, not to exceed two years. We may extend this period in writing during the two years.
    - 2) If the building is repaired or replaced at the same premises, or if **you** elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.
    - 3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premise
- F The terms of this endorsement apply separately to each building to which this endorsement applies.
- G Under this endorsement we will not pay for loss due to any ordinance or law that:
1. **You** were required to comply with before the loss, even if the building was undamaged; and
  2. **You** failed to comply with.

All other provisions of this policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**KANSAS AMENDATORY ENDORSEMENT - PROPERTY**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium paid, the policy is modified as follows:

1. Section **V. CONDITIONS** is amended as follows:

A. Paragraph H. Appraisal is amended to include the following:

Appraisal is voluntary and both **you** and we must mutually agree to the appraisal procedure. The decision from the appraisal process is binding.

B. Paragraph **M. Mortgage Holders**, subparagraphs **6.** and **7.** are deleted in their entirety and replaced with the following:

6. If we cancel this policy, we will give written notice to the mortgage holder at least:

- a. 10 days before the effective date of cancellation if we cancel for **your** nonpayment of premium; or
- b. 30 days before the effective date of cancellation if we cancel for any other reason.
- c. If the policy has been in effect for more than 90 days it may only be canceled for one or more of the reasons specified in K.S.A. 40-2,120.

7. If we elect not to renew this policy, we will give written notice to the mortgage holder at least 60 days before the expiration date of this policy.

All other provisions of this policy remain unchanged.

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: D012931-15

Issued by: Aspen American Insurance Company

Issued to: Patrick B. Lillis DDS

Effective date: 06/16/2018

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**SPOILAGE COVERAGE**

This endorsement modifies insurance provided under the following:

**BUILDING, BLANKET DENTAL PRACTICE PERSONAL PROPERTY AND INCOME COVERAGE PART**

In consideration of the premium charged, the Policy is modified as follows:

Deductible: \$250

Limit of Insurance: \$5,000

Solely for the purposes of the coverage provide pursuant to this endorsement, the following applies:

**A.** We will pay for direct physical **damage** to **perishable stock** at the premises described on the Declarations caused by the following:

1. a change in temperature or humidity resulting from mechanical breakdown or failure of refrigerating, cooling or humidity control apparatus or equipment; or
2. contamination by a refrigerant.

but only while such apparatus, equipment or refrigerating apparatus are at the premises described on the Declarations.

Mechanical breakdown and mechanical failure do not mean power interruption, regardless of how or where the interruption is caused and whether or not the interruption is complete or partial.

3. power outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

**B.** Section II. **EXCLUSIONS**, Paragraph **A.1.** does not apply.

**C.** Of the exclusions contained in Section II. **EXCLUSIONS**, only the following apply:

1. Earth Movement;
2. Governmental Action;
3. Nuclear Hazard;
4. War and Military Action; and
5. Water

**D.** Section II. **EXCLUSIONS** is amended to include the following:

1. We will not pay for **damage** to **perishable stock** located:
  - a. in the open;
  - b. in any vehicle; or
  - c. on buildings.

2. We will not pay for **damage to perishable stock** caused directly or indirectly by any of the following:
  - a. the disconnecting of any of the following systems from the source of power:
    - 1) refrigerating;
    - 2) cooling; or
    - 3) humidity control.
  - b. the deactivation of electrical power caused by the shutting off of any switch or other device used to control the follow of electric power or current.
  - c. the inability of an electrical utility company or other power source to provide sufficient power due to:
    - 1) lack of fuel; or
    - 2) governmental order.
  - d. the inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
  - e. breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

E. The following provisions shall apply:

1. **Deductible**

We will not pay for **damage** in any one occurrence until the amount of loss or **damage** exceeds the deductible set forth above. We will then pay the amount of loss or **damage** in excess of such deductible, up to the applicable limit of insurance set forth above. No other deductible in this policy applies to the coverage provided by this endorsement.

2. **Limit of Insurance**

The most we will pay for **damage to perishable stock** in any one occurrence is the limit of insurance set forth above.

3. **Valuation**

We will determine the value of **perishable stock** as follows:

- a. for **perishable stock you** have sold but not delivered, at the selling price less discounts and expenses **you** otherwise would have had;
- b. for other **perishable stock**, at actual cash value.

F. Section IV. **DEFINITIONS** is amended to include the following:

**"Perishable Stock"** means property owned by **you** and used in **your** dental practice, including medicine and medical supplies, which are:

- a. maintained under controlled temperature or humidity conditions for preservation; and
- b. susceptible to loss or damage if the controlled temperature or humidity conditions change.

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