

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
WISCONSIN

Stephen Richards v. Centric Manufacturing Solutions, Inc.

Richards v. Centric Manufacturing Solutions, Inc. · No. 25-C-1474 · Decided March 27, 2026

SUMMARY

The United States District Court for the Eastern District of Wisconsin denied Centric Manufacturing Solutions, Inc.'s motion for judgment on the pleadings in an ERISA action brought by Stephen Richards. The court held that whether Centric's delayed payment of accrued paid time off constituted a material breach of the severance and release agreement, and whether Richards could rescind the agreement, could not be resolved at the pleading stage. The court also denied Richards's motion to file an additional declaration and directed the clerk to schedule a Rule 16 conference.

CASE DETAILS

COURT	United States District Court for the Eastern District of Wisconsin
WRITING FOR THE COURT	William C. Griesbach
JURISDICTION	United States District Court for the Eastern District of Wisconsin
DECIDED	March 27, 2026
DOCKET	25-C-1474
DISPOSITION	other
PROCEDURAL POSTURE	Defendant moved for judgment on the pleadings under Federal Rule of Civil Procedure 12(c), arguing that the plaintiff's ERISA claims were barred by a severance and release agreement. The court denied the motion and also denied plaintiff's motion for leave to file an additional declaration.
STANDARD OF REVIEW	A Rule 12(c) motion is evaluated under the same standard as a Rule 12(b)(6) motion. The court draws reasonable inferences and views facts in the light most favorable to the nonmovant, accepts well-pleaded factual allegations but not legal conclusions or unsupported factual conclusions, and generally considers only the pleadings, documents incorporated by reference or attached to the pleadings, and judicially noticeable facts.
PRECEDENTIAL VALUE	unpublished district court decision; precedential status unknown

PARTIES

Stephen Richards v. Centric Manufacturing Solutions, Inc.

TOPICS

motion for judgment on the pleadings

civil procedure

contracts

material breach

rescission

PRACTICE AREAS

civil procedure

contracts

employment law

ERISA

remedies

QUESTIONS PRESENTED

1. Whether Centric was entitled to judgment on the pleadings on the ground that the severance and release agreement barred Richards's ERISA claims.
2. Whether the pleadings conclusively established that Centric's failure to pay PTO in a timely manner was not a material breach and could not support rescission of the agreement.
3. Whether the court could consider declarations submitted in connection with the Rule 12(c) motion.
4. Whether Richards should be permitted to file an additional declaration after Centric's reply.

HOLDINGS

1. Judgment on the pleadings was premature because the pleadings did not conclusively establish that the release barred Richards's ERISA claims. The alleged breach, its materiality, whether time was of the essence, and the adequacy of a damages remedy presented issues that could not be resolved against Richards at the pleading stage.
2. The court may decide a Rule 12(c) motion based on the pleadings and documents properly considered part of the pleadings, but it did not rely on either declaration submitted in connection with the motion.
3. Richards's motion for leave to file an additional declaration was denied because declarations were not properly considered in deciding the Rule 12(c) motion.

KEY QUOTATIONS

“A motion for judgment on the pleadings is subject to the same standard as a motion to dismiss under Rule 12(b)(6).” (Legal Standard)

“The issue of whether a party’s breach is material presents a question of fact.” (Analysis)

“Whether a breach is material is, except in clear cases, a question for the jury.” (Analysis)

“The existence of a remedy at law does not deprive equity of jurisdiction unless such remedy is clear, adequate and complete.” (Analysis)

FACTUAL BACKGROUND

Richards signed a severance and release agreement on July 31, 2025, under which Centric was to provide six weeks of salary, payment for unused paid time off, and health insurance through August 31, 2025. Centric paid

the salary amount and provided the health insurance, but did not pay the accrued PTO with the initial lump-sum payment; it issued a later PTO payment approximately three and a half months later and after this action began. Richards returned the later payment and contended that Centric's untimely PTO payment materially breached the agreement, entitling him to rescind the release.

PROCEDURAL HISTORY

Richards filed an ERISA action on September 24, 2025, alleging that Centric discharged him because of the cost of his cancer treatment and to interfere with his welfare benefits. Centric asserted that a release in a severance agreement barred the claims and filed a counterclaim seeking declaratory relief or repayment of severance amounts. After the pleadings closed, Centric moved for judgment on the pleadings; the court concluded that factual issues concerning breach, materiality, timing, and rescission could not be resolved on the pleadings and denied the motion.

DISPOSITION

other

CASES CITED

- Gill v. City of Milwaukee, 850 F.3d 335, 339 (7th Cir. 2017)
- Buchanan-Moore v. County of Milwaukee, 570 F.3d 824, 827 (7th Cir. 2009)
- Milwaukee Police Association v. Flynn, 863 F.3d 636, 640 (7th Cir. 2017)
- Hickey v. O'Bannon, 287 F.3d 656, 658 (7th Cir. 2002)
- Milwaukee Police Association v. Flynn, 213 F. Supp. 3d 1113, 1115 (E.D. Wis. 2016)
- Northern Indiana Gun & Outdoor Shows, Inc. v. City of South Bend, 163 F.3d 449, 452-53 (7th Cir. 1998)
- Levenstein v. Salafsky, 164 F.3d 345, 347 (7th Cir. 1998)
- Sartin v. Chula Vista, Inc., No. 18-CV-1890, 2019 WL 2746210, at *5 (E.D. Wis. July 1, 2019)
- Federated Mutual Insurance Co. v. Coyle Mechanical Supply Inc., 983 F.3d 307, 313 (7th Cir. 2020)
- Johnson v. Revenue Management Corp., 169 F.3d 1057, 1060 (7th Cir. 1999)
- Archdiocese of Milwaukee v. Doe, 743 F.3d 1101, 1105 (7th Cir. 2014)
- Peiffer v. Allstate Insurance Co., 51 Wis. 2d 329, 336, 187 N.W.2d 182 (1971)
- Ehlinger v. Hauser, 2010 WI 54, ¶ 47, 325 Wis. 2d 287, 785 N.W.2d 328
- Simonson v. Olejniczak, No. 23-C-526, 2024 WL 3874524 (E.D. Wis. Aug. 20, 2024)
- Elliott v. Donahue, 169 Wis. 2d 310, 316, 485 N.W.2d 403 (1992)
- Bank v. Haster, No. 14-C-403, 2016 WL 750656, at *8 (E.D. Wis. Feb. 23, 2016)
- Management Computer Services, Inc. v. Hawkins, Ash, Baptie & Co., 206 Wis. 2d 158, 183-84, 557 N.W.2d 67 (1996)
- Designer Direct, Inc. v. DeForest Redevelopment Authority, 313 F.3d 1036, 1042 (7th Cir. 2002)
- Ash Park, LLC v. Alexander & Bishop, Ltd., 2009 WI App 71, ¶ 21, 317 Wis. 2d 772, 767 N.W.2d 614
- Ash Park, LLC v. Alexander & Bishop, Ltd., 2010 WI 44, 324 Wis. 2d 703, 783 N.W.2d 294

- Huntoon v. Capozza, 57 Wis. 2d 447, 452, 204 N.W.2d 649 (1973)
- VPP Group, LLC v. Total Quality Logistics, LLC, No. 13-CV-185-WMC, 2014 WL 1515510, at *6 (W.D. Wis. Apr. 18, 2014)
- Employees Insurance of Wausau v. Jackson, 190 Wis. 2d 597, 616, 527 N.W.2d 681 (1995)
- HSBC Mortgage Services, Inc. v. Daya, No. 16-CV-80-JPS, 2016 WL 7156551, at *13 (E.D. Wis. Dec. 7, 2016)
- DeSombre v. Bickel, 18 Wis. 2d 390, 396, 118 N.W.2d 868 (1963)
- Appleton State Bank v. Lee, 33 Wis. 2d 690, 692-93, 148 N.W.2d 1 (1967)
- Meas v. Young, 138 Wis. 2d 89, 98, 405 N.W.2d 697 (Ct. App. 1987)
- Bergman v. Bernsdorf, 271 Wis. 401, 407, 73 N.W.2d 595 (1955)
- Wright v. Associated Insurance Cos., Inc., 29 F.3d 1244, 1248 (7th Cir. 1994)

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