UNITED STATES DISTRICT COURT FOR THE DISTRICT OF RHODE ISLAND

Union Insurance Co. of Providence and Employers Mutual Casualty Co. v. Carl Angus, Individually and on Behalf of the E.W. Burman, Inc. Profit Sharing Plan, Edward Burman, Paul Burman, E.W. Burman, Inc.

Angus · No. C.A. No. 24-cv-535-MRD-AEM · Decided November 24, 2025

SUMMARY

The United States District Court for the District of Rhode Island granted insurers’ motion for judgment on the pleadings in an action seeking a declaration that they had no duty to defend or indemnify defendants in an underlying ERISA dispute. The court held that the Employee Benefits Liability Endorsement did not cover alleged failures to distribute plan benefits, and alternatively that the endorsement’s ERISA exclusion applied. The court limited its duty-to-defend analysis to the allegations in the underlying complaint under Rhode Island’s pleadings test.

CASE DETAILS

COURT	United States District Court for the District of Rhode Island
WRITING FOR THE COURT	Melissa R. DuBose
JURISDICTION	United States District Court for the District of Rhode Island
DECIDED	November 24, 2025
DOCKET	C.A. No. 24-cv-535-MRD-AEM
DISPOSITION	other
PROCEDURAL POSTURE	Insurers brought a declaratory-judgment action seeking a declaration that they had no duty to defend or indemnify the Burman Defendants in an underlying ERISA action. The insurers moved for judgment on the pleadings under Federal Rule of Civil Procedure 12(c).
STANDARD OF REVIEW	Judgment on the pleadings is appropriate when it is clear from the pleadings that the movant should prevail. The court views pleaded facts in the light most favorable to the nonmovant and draws reasonable inferences in the nonmovant's favor. In determining the duty to defend under Rhode Island law, the court applies the pleadings

	test or four-corners rule by comparing the allegations in the underlying complaint with the policy.
PRECEDENTIAL VALUE	Unknown
PARTIES	Union Insurance Co. of Providence, Employers Mutual Casualty Co. v. Carl Angus, Edward Burman, Paul Burman, E.W. Burman, Inc.

TOPICS

duty to defend · declaratory relief insurance · insurance coverage · motion for judgment on the pleadings · civil procedure

PRACTICE AREAS

insurance coverage · insurance · civil procedure · ERISA

QUESTIONS PRESENTED

1. Whether the allegations in the underlying ERISA complaint triggered the insurers' duty to defend under the Employee Benefits Liability Coverage Endorsement.
2. Whether the court could consider extrinsic documents submitted by the insureds in deciding the Rule 12(c) motion in a duty-to-defend action.
3. Whether the policy's ERISA exclusion independently precluded coverage even if the allegations otherwise triggered the Employee Benefits Liability Coverage Endorsement.

HOLDINGS

1. In a duty-to-defend action governed by Rhode Island's pleadings test, the court's inquiry is limited to the factual allegations in the underlying complaint and the insurance policy; the court will not consider extrinsic documents submitted by the insureds.
2. The underlying complaint did not trigger the insurers' duty to defend because the alleged loss arose from the Burman Defendants' contractual obligations under the profit-sharing plan, not from damages caused by a negligently committed act, error, or omission within the endorsement's coverage.
3. Even if the underlying allegations triggered the Employee Benefits Liability Coverage Endorsement, the policy's ERISA exclusion independently barred coverage because the alleged damages arose from liability imposed on fiduciaries under ERISA.

KEY QUOTATIONS

> *"In general, the duty to defend an insured in this jurisdiction is determined by applying the 'pleadings test.'"* (at 4)

> *"[The pleadings] test limits this Court's review to the factual allegations contained in the underlying [] complaint."* (at 7)

> *"At this stage, even when "the Court 'view[s] the facts contained in the pleadings in the light most flattering to the nonmovant[] . . . and draw[s] all reasonable inferences therefrom in [its] favor,'""* (at 12)

FACTUAL BACKGROUND

Carl Angus worked for E.W. Burman for 38 years and retired in July 2023. He alleged that the Burman Defendants reported his retirement as occurring on December 31, 2022 and distributed his profit-sharing-plan account without including investment earnings through his actual retirement date, allegedly reducing his distribution by hundreds of thousands of dollars. Angus asserted ERISA claims for benefits and breach of fiduciary duty, and the Burman Defendants sought coverage and a defense under an Employee Benefits Liability Coverage Endorsement.

PROCEDURAL HISTORY

Carl Angus sued Edward Burman, Paul Burman, and E.W. Burman, Inc. in an underlying ERISA action concerning the calculation and distribution of his profit-sharing-plan benefits. The Burman Defendants sought a defense under a general liability policy and its Employee Benefits Liability Coverage Endorsement. The insurers filed this action, and the court granted their Rule 12(c) motion, concluding that the policy did not trigger a duty to defend and that the ERISA exclusion independently barred coverage.

DISPOSITION

other

CASES CITED

- 445 F.3d 50, 54-55 (1st Cir. 2006)
- 808 F. Supp. 2d 400, 402-03 (D.R.I. 2011)
- 526 F. Supp. 2d 235, 241 (D.R.I. 2007)
- 764 A.2d 722, 724 (R.I. 2001)
- 667 A.2d 785, 787 (R.I. 1995)
- 515 F. Supp. 2d 228, 236 (D.R.I. 2007)
- 240 A.2d 397, 402 (R.I. 1968)
- 685 F.3d 22, 25 (1st Cir. 2012)
- 388 A.2d 25, 26 (R.I. 1978)
- 987 F.2d 415, 419-20 (7th Cir. 1993)
- 369 F.3d 584, 593 (1st Cir. 2004)
- 305 F.3d 597, 601 (7th Cir. 2002)
- 806 F.2d 1541, 1543 (11th Cir. 1986)
- 889 F. Supp. 535, 540 (D.R.I. 1995)
- 567 A.2d 367, 368 (R.I. 1989)
- 457 F.3d 130, 136 (1st Cir. 2006)

- 913 F.3d 221, 228-29 (1st Cir. 2019)
- 669 F.3d 544, 550 (1st Cir. 2012)
- 509 F.3d 36, 44 (1st Cir. 2007)
- 93 A.2d 309, 312 (R.I. 1952)