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5th Circ. Backs Liberty Mutual Unit In Pileup Coverage Dispute

By **Hope Patti**

Law360 (October 28, 2026, 2:08 PM EDT) -- A Liberty Mutual unit owes no coverage to contractors for a Texas interstate construction project who are facing lawsuits over a fatal 130-vehicle pileup caused by a historic winter storm, the Fifth Circuit said, finding that the suits did not allege bodily injury arising out of the contractors' work.

In an **unpublished opinion** Tuesday, a two-judge panel affirmed that Liberty Mutual Fire Insurance Co. has no duty to defend North Tarrant Infrastructure LLC, Ferrovial Construction US Corp. and Webber LLC. The case was decided by a quorum, according to the ruling.

"Much of the dispute in this case centers around how to read the insurance policy and its various exclusions and amendments, some of which are clunky and poorly drafted," the judges said. "But the court need not wade into the contractual dispute to resolve this case, since defendants cannot prevail even under their own interpretation of the policy."

The coverage dispute stemmed from a fatal pileup on an interstate in Fort Worth, Texas, in February 2021. Six people were killed in the incident that involved around 130 vehicles, according to a National Transportation Safety Board report.

The estates of the victims and dozens of injured individuals subsequently filed lawsuits in Texas state court, naming the contractors and others as defendants, according to court filings. The suits alleged that the contractors failed to operate and maintain the portion of the road where the accident occurred.

Liberty Mutual, which insured the contractors for their construction work on the interstate between 2013 and 2018, filed the current action in October 2023. The insurer said it agreed to defend the contractors subject to a reservation of rights but was seeking a declaration that it has no duty to defend or indemnify them against the underlying claims.

In March 2025, U.S. District Judge Reed O'Connor granted **summary judgment** to the insurer on the duty to defend, reasoning that any work related to the operation and maintenance of the roadway after it reopened in 2018 could not have been related to the project. As for Liberty Mutual's duty to indemnify, the judge said the issue is not ripe while the underlying suits are pending.

On **appeal**, the contractors argued that the policy covers bodily injury arising out of their completed work on the relevant segment of the roadway referred to as Segment 3A.

The Fifth Circuit disagreed Tuesday. And even if the contractors' policy interpretation had been correct, the panel found that none of the underlying suits implicated that interpretation.

The underlying suits that the contractors claimed implicated their work on Segment 3A alleged that certain companies, including the contractors, failed to properly prepare for winter weather, deploy the necessary resources and monitor the roadways. The suits did not allege bodily injury arising out of the contractors' work, the panel said.

"At most, these petitions allege that the companies responsible for day-to-day maintenance and operations breached their duties, and the segment that defendants worked on was the mere situs of the tragic 2021 pileup," the judges said. "Because these defendants had no role in that day-to-day

maintenance, and because their work had been completed years prior to the accident, the petitions' allegations fall outside even defendants' interpretation of the contract."

Representatives of the parties did not immediately respond to requests for comment Wednesday.

U.S. Circuit Judges Jerry Smith and Stephen Higginson sat on the panel for the Fifth Circuit; the case was decided under a rule allowing a decision by a quorum of two judges.

Liberty Mutual is represented by Mark D. Tillman of Clyde & Co. LLP.

The contractors are represented by Travis M. Brown, Timothy P. Delabar and Dana Livingston of Cokinos Young.

The case is Liberty Mutual Fire Insurance Co. v. North Tarrant Infrastructure LLC et al., case number 25-10725, in the U.S. Court of Appeals for the Fifth Circuit.

--Editing by Emma Brauer.

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