U.S. COURT OF APPEALS FOR THE THIRD CIRCUIT

No. 24-2818

UNITED RENTALS (NORTH AMERICA), Inc.

v.

LIBERTY MUTUAL FIRE INSURANCE COMPANY,
Appellant

On Appeal from the U.S. District Court, D.N.J.
Judge Stanley R. Chesler, No. 2:19-cv-17169

Before: Restrepo, Freeman, and Mascott, *Circuit Judges*
Submitted: Jan. 21, 2026; Filed: Nov. 20, 2026

NONPRECEDENTIAL OPINION[1]

MASCOTT, *Circuit Judge*.

Conti Enterprises, Inc. ("Conti") is a construction company. It leased a boom lift from United Rentals, Inc. ("United"). United was responsible for maintaining the boom lift, but the lift malfunctioned. Two carpenters were injured in the accident. They filed complaints against several defendants, including United. Those complaints have been resolved. The question that remains is whether United was insured against these claims. The District Court held that United was covered under the insurance policy that Conti had with Liberty

[1] This disposition is not an opinion of the full Court and, under I.O.P. 5.7, is not binding precedent.

Mutual Insurance Company ("Liberty"). We agree, and will affirm the District Court's orders. The terms of the governing contract extended coverage to United related to Conti's use, operation, or maintenance of United's equipment without a requirement that a negligent act or omission by Conti caused the harm.

I.[2]

As an insurance policy is a type of contract, we look to New Jersey contract law to govern our resolution of this case.[3] Under New Jersey law, when the language governing an insurance contract "is clear, that is the end of the inquiry." *Chubb Custom Ins. Co. v. Prudential Ins. Co. of Am.*, 948 A.2d 1285, 1289 (N.J. 2008). If the language is ambiguous, doubts in duty-to-defend cases "should be resolved in favor of the insured and thus in favor of coverage." *Voorhees v. Preferred Mut. Ins. Co.*, 607 A.2d 1255, 1260 (N.J. 1992) ("Generally, an insurance policy should be interpreted according to its plain and ordinary meaning. . . . When the meaning of a phrase is ambiguous, the ambiguity is resolved in favor of the insured, and in line with an insured's objectively reasonable expectations. . . ." (citations omitted)).

Here, the language of the insurance policy is clear. In its policy with Conti, Liberty extended coverage to any business from which Conti leased equipment—here, United.[4]

---

[2] We write only for the parties and recite only those facts pertinent to our decision. The District Court had jurisdiction under 28 U.S.C. § 1332, and we have jurisdiction under 28 U.S.C. § 1291. Our review of the District Court's grant of summary judgment is plenary. *Blunt v. Lower Merion Sch. Dist.*, 767 F.3d 247, 265 (3d Cir. 2014).

[3] Federal courts sitting in diversity jurisdiction apply the law of the forum state. *Erie R. Co. v. Tompkins*, 304 U.S. 64 (1938). Here, the forum state is New Jersey.

[4] Although Liberty initially recognized United as "an additional insured under the policy," App. 679, it now disputes that United and Conti had a written agreement adding United to the policy. But the 2009 Rental Agreement between Conti and United satisfied

United was covered for injuries and damages "caused, in whole or in part, by [Conti's] maintenance, operation or use of equipment leased to" Conti. App. 299.[5] United's damages were caused, at a minimum at least in part, by Conti's operation or use of the boom lift that it had leased from United, so United is covered.

Liberty maintains that its policy extends coverage to United only when Conti is at fault for the damages—and that United, not Conti, was at fault, because United alone was responsible for maintaining the boom lift. Liberty's assertion might have been correct if its policy had used the same contractual language that appears in the cases it cites as authority to dispute its coverage of the claims against United. The policies considered in those earlier cases extended coverage to the relevant parties "only with respect to liability . . . caused, in whole or in part, by [the insured's] acts or omissions."[6] But Liberty's policy at issue in this case was distinct. It covered United for injuries caused by

---

this requirement, so United was covered. App. 8–9 ("Customer agrees to maintain and carry, at its sole cost, adequate liability . . . and casualty insurance . . . including, but not limited to all risks of loss or damage covered by the standard extended coverage endorsement, to cover any damage or liability arising from the handling, transportation, maintenance, operation, possession or use of the Equipment during the entire Rental Period. When requested, customer shall supply to United proof of such insurance by Certificate of Insurance clearly setting forth the coverage for the Equipment and naming United as loss payee and additional insured; such insurance and evidence thereof to be in amounts and form satisfactory to United." (internal quotation omitted) (omissions in original)).

[5] *See id.* (announcing at the top of the page that the following "endorsement changes the policy" and giving instructions to "please read it carefully" and then providing that the policy will "include as an insured any person or organization from whom [Conti] lease[s] equipment" and restricting coverage to "'bodily injury,' 'property damage' or 'personal and advertising injury' caused, in whole, or in part, by [Conti's] maintenance, operation or use" of that leased equipment).

[6] *Schafer v. Paragano Custom Bldg., Inc.*, 2010 WL 624108, at *2 (N.J. Super. Ct. App. Div. Feb. 24, 2010) (covering injury and damage caused by the acts or omissions of the principal insured party or those acting on their behalf); *Kostera v. Bacharach Inst. for Rehab.*, 2015 WL 4643642, at *15 (N.J. Super. Ct. App. Div. Aug. 6, 2015) (same).

Conti's "operation or use" of the boom lift, "in whole or in part," without more specifically delineating fault. *See* App. at 299. The only other court we have identified as having previously interpreted this language reached the same conclusion.[7]

Because the District Court correctly interpreted the clear language of the insurance contract, we will affirm the District Court's orders.[8]

II.

When Liberty had all but lost its case, it threw a Hail Mary and filed a motion to recuse Judge Chesler from the case. The District Court's denial of that motion was sound.

By statute, a "judge of the United States shall disqualify himself in any proceeding in which his impartiality might reasonably be questioned." 28 U.S.C. § 455(a). "A party moving for disqualification under § 455(a) need not show actual bias." *In re Kensington Int'l Ltd*., 368 F.3d 289, 302 (3d Cir. 2004). We review a decision not to recuse for abuse of discretion. *Id.* at 300–01 & n.12.

Liberty says that Judge Chesler should be recused because he "was a policyholder of Liberty Mutual and had a significant claim history with Liberty." App. 1658. That argument fails for three independent reasons. First, as a statutory matter, when Congress enacted § 455, it expressly provided that a judge need not recuse based on his interest as

[7] *NES Equip. Servs. Corp. v. Acadia Ins. Co*., 2016 WL 6988708, *3, *7–8 (Mass. Super. Sept. 28, 2016) (covering injury and damage "caused in whole or in part, by [the principal insured party's] maintenance, operation or use of equipment leased to use by such person or organization").

[8] These are the orders from April 28, 2022; June 16, 2022; October 14, 2022; and January 17, 2025.

"a policyholder in a mutual insurance company." 28 U.S.C. § 455(d)(4)(iii).[9] Here, Liberty is a mutual insurance company, and Judge Chesler is a policyholder. The plain text of the statute tells us that this relationship, without more, is not cause for recusal. And nothing about Judge Chesler's claim history gives rise to reasonable questions about his impartiality.

Second, the relevant Judicial Conference ethics advisory opinion does not supply a ground for recusal, either. It advises—

> that when an insurance company is a party, the judge ordinarily need not recuse unless . . . the outcome of the proceeding could substantially affect the value of the judge's interest in the company. This could occur if, as a result of a judgment against the insurance company, the judge's premiums could be significantly increased or coverage substantially reduced.

Judicial Conference of the United States, Committee on Codes of Conduct, Advisory Op. 26, *Disqualification Based on Holding Insurance Policy from Company that is a Party*. Here, a judgment against Liberty would neither significantly increase the premiums, nor substantially reduce the coverage, of Judge Chesler's homeowners, auto, and personal liability policies with Liberty.

Third, Liberty's motion was untimely. It came nearly five years after Judge Chesler was assigned to the case, and two years after the District Court granted summary judgment to Liberty. From the outset, Liberty had its own records documenting Judge Chesler's insurance policies. It waited five years to seek his recusal based on that information, and

[9] *See id.* § 455(b)(4), § 455(d)(4)(iii) (expressly excluding from the recusal category of "financial interest" the "proprietary interest of a policyholder in a mutual insurance company" where the proceeding's outcome does not "substantially affect the value of the interest").

now it hopes to get a second bite at the apple. The judicial process "can hardly tolerate the practice of a litigant with knowledge of circumstances suggesting possible bias or prejudice holding back, while calling upon the court for hopefully favorable rulings, and then seeking recusal when they are not forthcoming." *Kensington*, 368 F.3d at 312 (quoting *Smith v. Danyo,* 585 F.2d 83, 86 (3d Cir. 1978)).

Liberty argues that Judge Chesler erred by not disclosing his relationship to Liberty. This, too, is without merit. True, "parties should be apprised of any possible ground for disqualification known privately to the judge." *Id.* at 314 (quoting *United States v. Schreiber*, 599 F.2d 534, 537 (3d Cir. 1979)). But Judge Chesler's status as a policyholder was neither a possible ground for disqualification, nor known privately to him: Liberty's own records documented Judge Chesler's policies and claims history.

We will affirm the District Court's order denying Liberty's recusal motion.

III.

For the foregoing reasons, we will affirm the orders of the District Court.