

Uberrimae Fidei: Boat Owner's Duty of Utmost Good Faith to the Boat's Insurer  
An Entrenched Principle of Maritime Law

In a dispute between a boat owner and the insurance company, the U.S. Court of Appeals for the First Circuit in *QBE Seguros v. Morales-Vazquez* 2018 WL 3763305 affirmed the judgment of the district court in voiding the policy, holding that the district court properly applied the doctrine of *uberrimae fidei*, and citing, among others, the 11<sup>th</sup> Circuit in *HIH Marine Services, Inc., v. Fraser*, 211 F.3d 1359,1362 (11<sup>th</sup> Cir. 2000) in agreement.

**The Facts:** When Defendant Carlos A. Morales-Vázquez applied for an insurance policy for his 48 foot Cavileer from an entity later acquired by the Plaintiff insurer, he left blank the spaces provided in the application for answers to questions asking him to describe his prior boating history and all accidents related to any vessel he had previously owned, controlled, and/or operated. Morales-Vázquez failed to disclose the prior grounding of his former forty-foot yacht and failed to list his history with five of the seven boats he had owned. When the \$550,000 Cavileer was appreciably damaged by fire, Morales filed a claim with the insurance company. The insurer made several offers of settlement, all refused by Morales-Vazquez. When the insurer became aware of the grounding of the previous yacht, the insurer exercised its right to examine Morales-Vazquez under oath, wherein he disclosed all of his previous omissions. Plaintiff then sought a declaratory judgment voiding the policy on the grounds that Morales-Vázquez had failed to honor his duty of utmost good faith, known as *uberrimae fidei* in maritime law, in acquiring the policy and had therefore breached the warranty of truthfulness contained in the policy. The district court concluded that Plaintiff was thereby entitled to void the policy. The First Circuit affirmed, holding that the district court correctly concluded that the *uberrimae fidei* doctrine entitled Plaintiff to a declaration that the policy was void, and **no showing of actual reliance is required.**

Regards,  
Barbara A. Kreitz Cook, Esq.  
Fla. Bar Board Certified Admiralty & Maritime Law  
Martindale-Hubbell AV Rated 2021  
Representing Marinas, Vessel Owners, & Seamen  
Community Association Representation  
Bankruptcy Practitioner: Debtor & Creditor Representation  
General Civil Litigation

Ph: 772-708-8105  
Email: [barbcook@barbcooklaw.com](mailto:barbcook@barbcooklaw.com)  
Bio: [www.BarbCookLaw.com](http://www.BarbCookLaw.com)