

13-861. Punitive Damages.

In this case, _____ (*name of party making claim for punitive damages*) seeks to recover punitive damages from _____ (*name of party against whom punitive damages are sought*). You may consider punitive damages only if you find that _____ (*party making claim*) should recover compensatory damages. Not every breach of contract warrants punitive damages.

Only if you find that _____ (*name of party against whom punitive damages are sought*) breached the contract and that [his] [her] [its] conduct in committing the breach was [malicious], [reckless], [wanton], [oppressive], [or] [fraudulent] [rather than being legitimate or justified in the circumstances], then you may award punitive damages against [him] [her] [it].

[Malicious conduct is the intentional doing of a wrongful act with knowledge that the act was wrongful.]

[Reckless conduct is the intentional doing of an act with utter indifference to the consequences.]

[Wanton conduct is the doing of an act with utter indifference to or conscious disregard for a person's rights.]

[Fraudulent conduct consists of a misrepresentation of fact that the maker knows to be untrue [or that is made recklessly], by which the maker intends to deceive another for the purpose of causing the other to act in reliance on the misrepresentation, and on which the other does rely.]

Punitive damages are awarded for the limited purpose of punishment and to deter others from the commission of like offenses. The amount of punitive damages must be based on reason and justice taking into account all the circumstances, including the nature and enormity of the wrong and such aggravating and mitigating circumstances as may be shown. The property or wealth of the defendant is a legitimate factor for your consideration. The amount awarded, if any, must be reasonably related to the injury and to the damages given as compensation and not disproportionate to the circumstances.

USE NOTES

Appropriate bracketed language should be selected depending on the type of conduct alleged to support punitive damages and, as to the bracketed phrase regarding a "legitimate or justified" breach in the second paragraph, on whether there is evidence that any breach that occurred was committed for a legitimate or justifiable reason. For punitive damages in insurance bad faith cases, see UJI 13-1718 NMRA.

[Adopted, effective November 1, 1991; as amended by Supreme Court Order No. 20-8300-006, effective for all cases pending or filed on or after December 31, 2020.]