NONPRECEDENTIAL DISPOSITION
To be cited only in accordance with FED. R. APP. P. 32.1

United States Court of Appeals

For the Seventh Circuit
Chicago, Illinois 60604

Submitted February 3, 2023*
Decided February 3, 2023

Before

ILANA DIAMOND ROVNER, *Circuit Judge*

AMY J. ST. EVE, *Circuit Judge*

THOMAS L. KIRSCH II, *Circuit Judge*

No. 21-3210

WASEEM DAKER,
Plaintiff-Appellant,

v.

STATE FARM FIRE AND CASUALTY COMPANY,
Defendant-Appellee.

Appeal from the United States District Court for the Central District of Illinois.

No. 1:20-cv-01052

Joe Billy McDade,
Judge.

O R D E R

More than a year after he suffered property damage, Waseem Daker sued State Farm Fire and Casualty Company for insurance coverage, despite knowing that his policy with State Farm required that he file suit within a year of loss. The district court

* We have agreed to decide the case without oral argument because the briefs and record adequately present the facts and legal arguments, and oral argument would not significantly aid the court. FED. R. APP. P. 34(a)(2)(C).

granted State Farm's motion to dismiss. It correctly ruled that the policy's provision was enforceable and Daker's suit was time-barred; therefore we affirm.

Daker, who has been in prison in Georgia for over a decade, has maintained ownership of a home in Georgia. According to Daker, the property was insured by State Farm, a company incorporated in Illinois. Daker alleges that two incidents warrant coverage: First, tenants "abused and vandalized" the home through June 2017; then, in January 2018, Daker's brother burglarized the home, damaging it further.

Daker filed two insurance claims with State Farm for the damage to his property (one claim relating to each incident). State Farm denied both claims. In the denial letter, which Daker received in March 2018, State Farm alerted Daker to the provision of his insurance policy that required him to sue within one year of the dates of damage:

> **Suit Against Us.** No action shall be brought unless there has been compliance with the policy provisions and the action is started within one year after the date of loss or damage.

About two years later, in February 2020, Daker sued in a federal court in Illinois, asserting diversity jurisdiction under 28 U.S.C. § 1332. As relevant on appeal, he alleged that State Farm breached its insurance policy by declining coverage for his property damage. Daker conceded that he sued past the one-year limitations period in his contract with State Farm, but he argued that the period did not matter because, among other reasons, the provision was unreasonable and State Farm had misled him about it.

After permitting Daker to amend his complaint three times, the district court granted State Farm's motion to dismiss it with prejudice. It ruled that Illinois law applied to Daker's claims based on Illinois's choice-of-law rules, which *Erie Railroad Co. v. Tompkins*, 304 U.S. 64 (1938), required it to apply. And under Illinois contract law, the one-year limitations provision in State Farm's policy was enforceable because it was reasonable, accepted voluntarily, and not contrary to any statute or public policy. Moreover, Daker lacked a valid defense to the provision, given that State Farm told him of it in denying his claims. Thus, the one-year limitations provision barred Daker's suit, which he filed nearly two years after the most recent date of property damage. Daker moved to reconsider under Federal Rule of Civil Procedure 59(e), raising a related contention. He argued that he had relied on a broken promise by his State Farm agent to mail him another copy of the full policy, which he asserted he needed in order to sue. The court denied Daker's motion.

On appeal Daker contends that his complaint was not time-barred because promissory estoppel, equitable estoppel, and equitable tolling defeat the limitations defense. Daker relies primarily on his argument in his motion for reconsideration—that State Farm never delivered to him a copy of the policy that he says he needed to timely sue. He repeats that before he began preparing his complaint, he contacted his State Farm agent in early 2018 to ask for another copy of his insurance policy, and she promised to send it to him, but never did. (According to Daker, he did not receive one until May 2020—after he had sued—when defense counsel provided him with a courtesy copy.) Daker contends that he detrimentally relied on the State Farm agent's promise, so that promissory and equitable estoppel should toll the limitations period. Daker adds that equitable tolling also applies because he was unable for a time to access his prison's law library, which he also needed to prepare his complaint.

We begin with the applicable law. We review dismissals of complaints de novo, *Consumer Health Info. Corp. v. Amylin Pharm., Inc.*, 819 F.3d 992, 995 (7th Cir. 2016), and denials of motions to reconsider for abuse of discretion. *Selective Ins. Co. of South Carolina v. City of Paris*, 769 F.3d 501, 507 (7th Cir. 2014). Also, in a diversity case, we apply the substantive law of the forum state—Illinois—including its choice-of-law rules. *Klaxon Co. v. Stentor Elec. Mfg. Co., Inc.*, 313 U.S. 487 (1941). And under Illinois law, limitations rules—and defenses to it—are governed by the law of the forum. *Heiman v. Bimbo Foods Bakeries Distrib. Co.*, 902 F.3d 715, 718 (7th Cir. 2018).

Illinois's law regarding the validity of contract terms that displace statutes of limitations, and tolling, is well-settled. Generally, such a contract term is upheld if it was accepted knowingly and voluntarily, is reasonable, and is consistent with public policy. *Taylor v. Western and Southern Life Ins. Co.*, 966 F.2d 1188, 1202–04 (7th Cir. 1992). (Georgia law, which Daker prefers, is similar: these provisions are generally enforced if they are not unconscionable or so unreasonable that they raise a presumption of undue advantage. *See, e.g., Langley v. MP Spring Lake, LLC*, 307 Ga. 321 (Ga. 2019).) For Daker to establish tolling based on promissory estoppel, he must show that State Farm made a promise on which he detrimentally and foreseeably relied. *See Wigod v. Wells Fargo Bank, N.A.*, 673 F.3d 547, 566 (7th Cir. 2012) (Illinois law). For equitable estoppel, he must show, among other things, that State Farm lied about or concealed material facts knowing that Daker would detrimentally act upon the untrue representations. *See Geddes v. Mill Creek Country Club, Inc.*, 196 Ill.2d 302, 313–14 (Ill. 2001). Finally, an equitable-tolling defense requires a showing that, despite exercising due diligence, Daker could not discover the facts essential to his claim within the limitations period. *See Williams v. Sims*, 390 F.3d 958, 960 (7th Cir. 2004) (Illinois law).

Reviewing the matter de novo, we agree with the district court that the one-year limitations provision in State Farm's policy is valid. First, the provision is reasonable because it allowed Daker sufficient time to sue after his dates of loss. The first loss ended in June 2017 and the second occurred in January 2018; as a result, his suit on the first loss had to be filed by June 2018, and his suit on the second loss by January 2019. He knew about these deadlines. When State Farm notified him of its denial of his claim in March 2018, it reminded him about the one-year deadlines; he thus knew that he still had three more months to sue about the first loss. Because Daker bases this suit on State Farm's refusal to cover his losses, he had adequate time to sue before that time ran out. Finally, Daker does not argue the one-year provision was imposed upon him without his consent or knowledge, or that it violates any Illinois statute or public policy. *See, e.g.*, *Taylor*, 966 F.2d at 1202–06 (six-month limitations period in employment contract was reasonable in Illinois because plaintiff had sufficient time to investigate and file an action). Thus, the provision is enforceable.

Even if the provision is enforceable, Daker contends, the district court wrongly rejected his arguments that its one-year time limit should be tolled. Whether the district court's rulings are reviewed through a de novo or abuse-of-discretion lens, we uphold them. Regarding promissory estoppel, we will assume that State Farm falsely promised in early 2018 to mail Daker a copy of the full policy. Even so, his reliance on that promise was neither detrimental to his ability to sue nor foreseeable. He asserts that he needed the policy to help him prepare his complaint, but his own actions refute that assertion: He successfully prepared and filed his complaint *without* the promised copy of the policy, and no one has suggested that his complaint inadequately alleges breach of contract. Similarly, Daker has not argued that the State Farm agent foresaw that he would delay his suit in reliance on her promise. *See Wigod*, 673 F.3d at 566. Likewise, his defense of equitable estoppel is unavailing because, for the same reason, Daker did not detrimentally rely on any false statement from State Farm. *See Geddes*, 196 Ill.2d at 313–14. Last, he cannot rely on equitable tolling. He bases that defense on his inability to access his prison's law library. But he did not need the library to allege that State Farm breached its contract, which he tells us he knew when he received the letters from it declining coverage. *See Williams*, 390 F.3d at 960.

We have considered Daker's other arguments, and none has merit.

AFFIRMED