

215 ILCS 5/357.5 Reinstatement

Sec. 357.5. "REINSTATEMENT:

If any renewal premium be not paid within the time granted the insured for payment, a subsequent acceptance of premium by the company or by any agent duly authorized by the company to accept such premium, without requiring in connection therewith an application for reinstatement, shall reinstate the policy; provided, however, that if the company or such agent requires an application for reinstatement and issues a conditional receipt for the premium tendered, the policy will be reinstated upon approval of such application by the company or, lacking such approval, upon the 45th day following the date of such conditional receipt unless the company has previously notified the insured in writing of its disapproval of such application. The reinstated policy shall cover only loss resulting from such accidental injury as may be sustained after the date of reinstatement and loss due to such sickness as may begin more than 10 days after such date. In all other respects the insured and company shall have the same rights thereunder as they had under the policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than 60 days prior to the date of reinstatement."

The last sentence of the above provision may be omitted from any policy which the insured has the right to continue in force subject to its terms by the timely payment of premiums (1) until at least age 50 or, (2) in the case of a policy issued after age 44, for at least 5 years from its date of issue.

For the purpose of this Section, the phrase "loss resulting from such accidental injury as may be sustained after the date of reinstatement and loss due to such sickness as may begin more than 10 days after such date" shall mean that the reinstated policy shall not cover a loss resulting from accidental injury sustained after the date of lapse of the policy and prior to the date of reinstatement or a loss resulting from sickness which is first manifested after the date of lapse of the policy but not after a date more than 10 days after the date of reinstatement. An accidental injury and a sickness as described in this Section shall be subject to the requirements of Section 357.3 with the exception that references to date of issue and application shall mean date of reinstatement and reinstatement application. All other accidental injuries and sicknesses will be subject to the requirements of 357.3. Provisions endorsed or attached to the policy in connection with the reinstatement shall relate to a disease or physical condition of an insured under the policy.

(Source: P.A. 84-1308.)