

867 ~~867~~—When the parties to a contract of insurance, in fixing the amount of the premium, took into consideration a particular risk, and such risk ceases to exist, the assured is entitled to have the premium reduced proportionately for the future.

865 ~~865~~—If, at the time of making the contract, the assured, or, in case of insurance on life, the person upon whose life or death the payment of the sum payable depends, knowingly omits to disclose facts which would have induced the insurer to raise the premium or to refuse to enter into the contract, or knowingly makes false statements in regard to such facts, the contract is voidable.

866 ~~866~~—If the insurer knew of the facts mentioned in Section ~~865~~ or knew the statements to be false, or would have known of them or of their falsity if he had exercised such care as may be expected from a person of ordinary prudence, the contract shall be valid.