937. — If the contract of insurance provides that, on the happening of the loss, the insurer or the insured are bound to inform the underwriter within a certain period of time, no such notice is necessary if the underwriter knew otherwise within that period of the happening of the loss.

938. — The liability for payment of compensation is extinguished by prescription two years after date of loss.

The liability for payment of a premium is extinguished by prescription two years after the date when the premium became due.

TITLE XX.

INSURANCE ON LIFE.

939. — A contract of insurance on life is a contract whereby the underwriter agrees to pay to the beneficiary a sum of money, dependent upon the life or death of a person, and the insurer agrees to pay him a premium therefor.

940. — The beneficiary may be the insurer or any third person.

941. – The sum payable may be a lump sum or an annuity.

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