

*its behalf of notice or process in any action upon the policy or bond arising out of the accident.*

*(c) The department may rely upon the accuracy of the information in a required report of an accident as to the existence of insurance or a bond unless and until the department has reason to believe that the information is erroneous.*

*(d) Immediately upon receipt of notice of the accident, the insurance company or surety company which issued the policy or bond shall furnish the insured a written notice in the form specified by the department that the policy or bond was in effect at the time of the accident.*

§ 7-205. *Form and amount of security.*

*(a) The security required under this subtitle shall be in a form and in an amount as the department requires, but in no case in excess of the limits specified in section 7-204.*

*(b) The person depositing security shall specify in writing the person or persons on whose behalf the deposit is made and, at any time while the deposit is in the custody of the department or State Treasurer, the person depositing it, in writing, may amend the specification of the person or persons on whose behalf the deposit is made to include an additional person or persons; but a single deposit of security shall be applicable only on behalf of persons required to furnish security because of the same accident.*

§ 7-206. *Failure to deposit security—suspensions.*

*(a) If any person required to deposit security under this subtitle fails to deposit the security within 10 days after the department has sent the notice as hereinbefore provided, the department shall thereupon suspend:*

*(1) The license of each driver in any manner involved in the accident;*

*(2) The registrations of all vehicles owned by the owner of each vehicle of a type subject to registration under the laws of this State involved in the accident;*

*(3) If the driver is a nonresident, the privilege of operating within this State a vehicle of a type subject to registration under the laws of this State;*

*(4) If the owner is a nonresident, the privilege of the owner to operate or permit the operation within this State of a vehicle of a type subject to registration under the laws of this State.*

*The suspensions shall be made in respect to persons required by the department to deposit security who fail to deposit security, except as otherwise provided under succeeding sections of this subtitle.*

*(b) The department, in its discretion, may extend the effective date of the suspensions for 20 days when satisfactory evidence has been presented that final releases are being negotiated to the satisfaction of all parties.*