

§ 7-207. *Release from liability.*

(a) A person shall be relieved from the requirement for deposit of security for the benefit or protection of another person injured or damaged in the accident in the event he is released from liability by the other person, or if at any time prior or subsequent to the date of a suspension under section 7-206, the person has satisfied any condition stated in paragraph 10 of section 7-203.

(b) A covenant not to sue shall relieve the parties thereto as to each other from the security requirements of this subtitle.

(c) If the department has evaluated the injuries or damage to any minor in an amount not more than \$100 the department may accept, for the purposes of this part only, evidence of a release from liability executed by a natural guardian or a legal guardian on behalf of the minor without the approval of any court or judge.

§ 7-208. *Adjudication of nonliability.*

A person shall be relieved from the requirement for deposit of security in respect to a claim for injury or damage arising out of the accident in the event the person has been finally adjudicated not to be liable in respect to the claim.

§ 7-209. *Agreements for payment of damages.*

(a) Any two or more of the persons involved in or affected by an accident as described in section 7-201 may enter at any time into a written agreement for the payment of an agreed amount with respect to all claims of any of the persons because of bodily injury to or death or property damage arising from the accident, which agreement may provide for payment in installments, and may file a signed copy thereof with the department.

(b) The department, to the extent provided by any written agreement filed with it, shall not require the deposit of security and shall terminate any prior order of suspension, or, if security has previously been deposited, the department shall immediately return the security to the depositor or his personal representative.

(c) In the event of a default in any payment under the agreement and upon notice of the default the department shall take action suspending the license or registration of the person in default as would be appropriate in the event of failure of the person to deposit security when required under this subtitle.

(d) The suspension shall remain in effect and the license or registration shall not be restored unless and until:

(1) Security is deposited as required under this subtitle in an amount the department determines;

(2) When, following any such default and suspension, the person in default has paid the balance of the agreed amount; or

(3) One year has elapsed following the effective date of the suspension and evidence satisfactory to the department has been filed with it that during this period no action at law upon the agreement has been instituted and is pending.