



CHAPTER 1
ARTICLE 44 - COMPROMISE

N.C.G.S. § 1-540.2.

Settlement of property damage claims
arising from motor vehicle collisions
or accidents; same not to constitute
admission of liability, nor bar party seeking
damages for bodily injury or death.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT c. 662, s. 1 — first act in the lineage	RETRIEVED 21 September 2026, 02:05 UTC	SOURCE FINGERPRINT c62e815dd0174256b161daf1 - 4b481a9223f220b4aacde2d9 - fb701788e1031913
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In any claim, civil action, or potential civil action which arises out of a motor vehicle collision or accident, settlement of any property damage claim arising from such collision or accident, whether such settlement be made by an individual, a self-insurer, or by an insurance carrier under a policy of insurance, shall not constitute an admission of liability on the part of the person, self-insurer or insurance carrier making such settlement, which arises out of the same motor vehicle collision or accident. It shall be incompetent for any claimant or party plaintiff in the said civil action to offer into evidence, either by oral testimony or paper writing, the fact that a settlement of the property damage claim arising from such collision or accident has been made; provided further, that settlement made of such property damage claim arising out of a motor vehicle collision or accident shall not in and of itself act as a bar, release, accord and satisfaction, or discharge of any claims other than the property damage claim, unless by the written terms of a properly executed settlement agreement it is specifically stated that the acceptance of said settlement constitutes full settlement of all claims and causes of action arising out of the said motor vehicle collision or accident.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
1 ACT

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

1				1968
1967				
TICK HEIGHT = ACTS IN THAT YEAR				DASHED = RECODIFICATION, NOT AMENDMENT
Nº	YEAR	ACT	CHARACTER	
01	1967	c. 662, s. 1	ENACTED	

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 1-540.2 (1967).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE
(1967, c. 662, s. 1.)

SET IN SPECTRAL AND ARCHIVO
NORTH CAROLINA LAW — STATUTE EXPORT, FORMAT V1

