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Warped

The Battalion

by Scott McCullar

Insurance firms agree to pay state

Companies also agree to testify

AUSTIN (AP) — Two major in-surance companies agreed Thurs-day to pay \$500,000 each and testify in the state's antitrust lawsuit against other of the nation's largest insurers, Attorney General Jim Mattox said.

Mattox said the Travelers Insurance Co. and St. Paul Fire and Marine Insurance Co. also agreed to stop certain industry activities in a

stop certain industry activities in a settlement agreement signed by state District Judge Pete Lowry of Austin. In the agreements, both compa-nies denied any wrongdoing or lia-bility. The pacts say each \$500,000 payment is for investigative and le-gal costs and "does not represent a fine or penalty."

"In essence, these companies have entered a nolo contendere (no contest) plea and have agreed to testify for the state as the lawsuit continues against the other defendants," Mattox said.

The state accuses the insurance industry of seeking to create a phony "insurance crisis" several years ago in which insurers claimed that an increase in lawsuits was forcing them out of the commercial liability field.

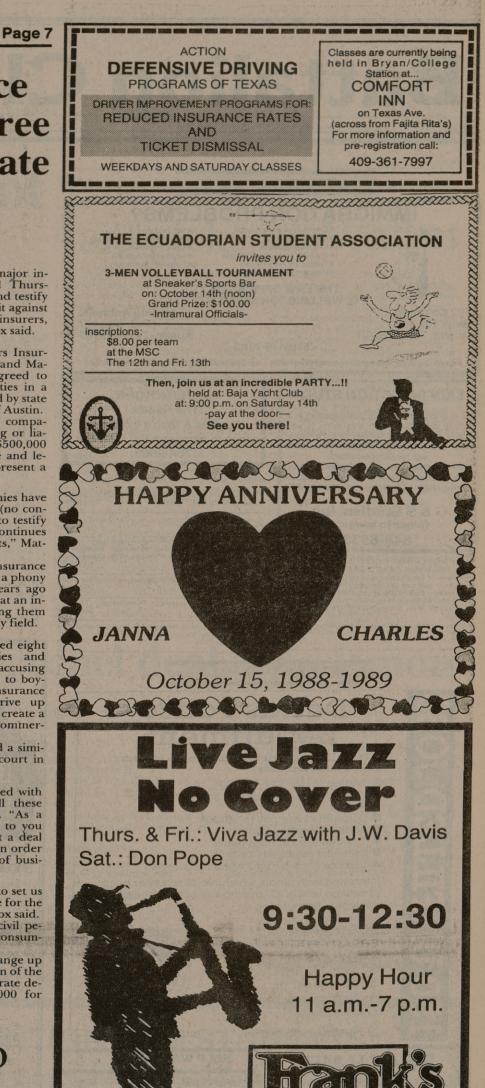
Mattox in March 1988 sued eight major insurance companies and other insurance groups, accusing them of illegally conspiring to boycott, coerce and intimidate insurance consumers in order to drive up rates, cut back coverage and create a false insurance crisis in the commercial liability field.

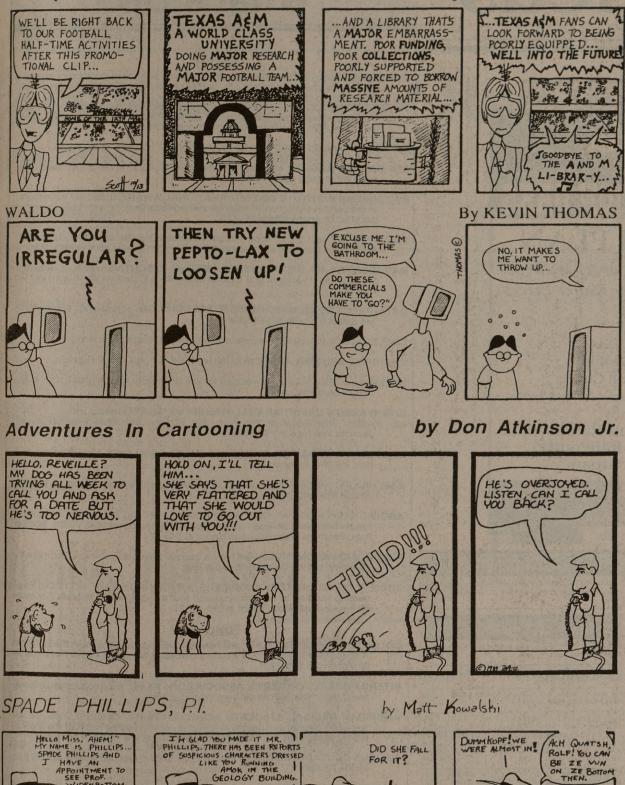
Several other states joined a simi-lar lawsuit filed in federal court in California.

"We fully intend to proceed with our legal action against all these other defendants," he said. "As a prosecutor, I can explain it to you like this: Sometimes you cut a deal with one member of a gang in order to put the entire gang out of busi-ness."

"We are asking the court to set us a trial date as soon as possible for the rest" of the defendants, Mattox said. The state's lawsuit seeks civil pe-nalties and restitution for consumers.

The civil penalties could range up to \$1 million for each violation of the state's antitrust law by corporate de-fendants and up to \$100,000 for each violation by individuals.





Shark bites boy surfing in Gulf of Mexico

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SURFSIDE BEACH (AP) — A 12year-old boy was hospitalized in sta-ble condition Thursday after being bitten by a shark three times on his foot and leg while surfing with friends in the Gulf of Mexico, au-therities staid.

"He was hurting a lot and lost a lot Works Pete David administered first We just want to warn people. If any-

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thorities said.

Jason Largent underwent surgery after the Wednesday evening inci-dent to close multiple bite marks, Dr. Anselmo Unite at Brazosport Memorial Hospital said. The youth was in no danger of losing his leg, the physician said.

Unite said the boy was sitting on his surfboard in neck-deep water on a sandbar about 100 yards offshore when the shark jumped up and be-gan biting his leg. He said the boy was pulled under the water but managed to hold on and get to shore.

Surfside Beach policeman Frank Black said Largent was surfing with six or eight friends who reported the shark to be about 4 feet long. Black said witnesses were not sure of the shark species.

"The shark may still be out there near Sargent Beach in adjacent Mat-Surfside Beach Director of Public tomorrow." he said. "Who knows? agorda County.

Austin plans for species protection

strategy to protect Austin-area endangered species, government officials, developers and environmentalists have signed a \$350,000 contract with consultants to

prepare the plan, organizers said. "It has taken months to negotiate it," said David Braun, director of the Texas Nature Conservancy. "It's made me feel like we're definitely going to get this project done."

Braun is also chairman of the coalition of developers, environmentalists and government officials who are working on the Austin Regional Habitat Conservation

The plan will identify habitats necessary to preserve

AUSTIN (AP) — After a yearlong effort to devise a rategy to protect Austin-area endangered species, wernment officials, developers and environmentalists 10 endangered or threatened species, including two songbirds, the black-capped vireo and golden-cheeked warbler; five cave-dwelling creatures and three plants.

Implementation of the plan would involve the purchase and maintenance of permanent preserves to pro-tect the 10 species — as much as 20,000 acres at a cost of

\$25 million, according to rough estimates. The impetus for such a task has come from federal law, implemented by the U.S. Fish and Wildlife Service, which prohibits development from encroaching into the habitat of endangered species. The habitat of the vireo and the cave creatures is pri-

marily west and northwest of Austin and in those areas the federal law has virtually created an unofficial moratorium on government and private projects.

