

BIG TEN TOURNAMENT

INDIANA	83
OHIO ST.	69
MINNESOTA	63
PURDUE	52

SPORTS, D1

SPORTS, D1

**BEN DAVIS
STAR VOTED
TOP PLAYER**



WEEKEND, SECTION G

NASCAR AT IMAX

Racing hits the big time today at Indiana State Museum.



THE INDIANAPOLIS STAR

"Where the Spirit of the Lord is, there is Liberty" II Cor. 3:17

A GANNETT NEWSPAPER ■ INDYSTAR.COM

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SEC sues ex-Conseco execs for \$5.6 million

Agency wants '99 income of 2 it says inflated firm's earnings

By Bill W. Hornaday
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Federal securities regulators filed a \$5.6 million lawsuit against two former Conseco executives Thursday — a move spawned by accusations that the ex-officers overstated the company's 1999 income by hundreds of millions of dollars.

Filed in U.S. District Court in Indianapolis by attorneys with the

Securities and Exchange Commission's regional office in Chicago, the 19-page complaint seeks repayment of salaries and bonuses paid in 1999 to former CFO Rollin M. Dick and former treasurer James S. Adams and punitive action.

According to a 19-month SEC inquiry released Wednesday, Dick, 72, Zionsville, and Adams, 44, Carmel, schemed to inflate

former Conseco subsidiary Conseco Finance's 1999 earnings by more than \$367 million. Once the discrepancy was found in March 2000, the Carmel-based insurer issued what is believed to be the ninth-largest earnings restatement in U.S. history.

Thursday's civil suit alleges Dick and Adams — who now owe \$97 million and \$26 million, respectively, in company-backed

loans — had motivation to inflate Conseco's earnings to diminish the debts they owed the company. Conseco itself neither admits nor denies the SEC's findings and received no fines or monetary penalties in its settlement with the SEC. For Dick and Adams, SEC officials seek a different outcome.

"We're asking the court to force them to disgorge their ill-gotten

Go to IndyStar.com/factfile for background on Conseco's recovery from bankruptcy.



Rollin M. Dick (left) is a former CFO at Conseco, where James S. Adams was treasurer. They were sued Thursday by federal securities regulators.

See Conseco, Page A12

GOV. ROBERT D. ORR, 1917-2004

'THE BEST OF MEN'



Star file photo

Question time: When Gov. Robert Orr visited Moorhead Elementary School in 1985, first-grader Mindy Wagoner asked him, "What does it feel like to be governor?" "Fun," was Orr's reply. Orr, 86, died Wednesday night of an apparent heart arrhythmia.

Orr always had his eye on the future, friends say

By Mary Beth Schneider
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Friends and family smiled through tears Thursday as they remembered Robert D. Orr, a man who met Henry Ford, stood 20 feet from Adolf Hitler and witnessed an atomic bomb's devastation in Hiroshima, Japan — but was far more interested in talking about how to strengthen Indiana's economy and schools.

Orr, 86, who led Indiana from 1981 to 1989, died at 9:17 p.m. Wednesday at Indiana University Medical Center of an apparent heart arrhythmia. Earlier that day, he had undergone outpatient surgery for a kidney problem related to his past bouts with prostate and bladder cancer.

At his side was his wife, Mary Kay Orr, who had been by his side through much of his career — first as his secretary when he was governor, later when he served as U.S. ambassador to Singapore and, finally, since 2001, as his wife.

"He was and is my best friend," she said Thursday.

She knew most people would remember him for the legacies he left as governor — the tax increases he pushed to make class sizes smaller and the first statewide tests begun under his leadership to gauge how well Indiana's students were progressing.

There was the Subaru-Isuzu automotive plant that he helped bring to the Lafayette area to help revitalize Indiana's economy.

It was an accomplishment he was so proud of, Mary Kay Orr said, that he never drove anything but a Subaru.

"We're on our fourth Subaru now," she said with a laugh. "We now have the Outback."

But Thursday, as she spoke of her husband, Mary Kay Orr said she would like Hoosiers to know the man she knew — "a tenderhearted softie."

See Orr, Page A11

MORE COVERAGE



BIOGRAPHY
Orr boosted economic development, but his efforts to improve public education are his biggest legacy. **A10**

MEMORIES
From a musician to the chief of the state Supreme Court to Gov. Kernan, residents remember Orr. **A10**

ONLINE
Go to IndyStar.com/multimedia for a photo gallery of Gov. Orr's career or to join a discussion of Orr's legacy.

192 killed by blasts in Spain

Rush-hour bombings terrorize commuters

By Mar Roman
Associated Press

MADRID, Spain — A series of bombs hidden in backpacks exploded in quick succession Thursday, blowing apart four commuter trains and killing at least 192 people and wounding 1,200. Spain blamed Basque separatists, but a shadowy group claimed responsibility in the name of al-Qaida for the worst terrorist attack in Spanish history.

Panicked commuters trampled on one another, abandoning their bags and shoes, after two of the bombs went off in one train in the Atocha station in the heart of Madrid.

"March 11, 2004, now holds its place in the history of infamy," Prime Minister Jose Maria Aznar said.

The bombing came three days ahead of Spain's general election, on Sunday. A major campaign issue was how to deal with ETA, the Basque militant group.

Campaigning for the election was called off, and three days of mourning were declared.

It also was exactly 2½ years after the Sept. 11, 2001, terrorist attacks in the United States.

See Bombs, Page A16

INSIDE

■ **Scene:** People dropped everything, including shoes, sometimes trampling on others, one survivor said. **A16**

■ **In Indiana:** Attacks haven't affected Hoosiers' plans to travel abroad, travel agents report. **A16**

ONLINE

Go to IndyStar.com/worldwide for the latest news on the Madrid bombings.

GAY MARRIAGE DEBATE



Michael Dwyer / Associated Press

Statehouse rally: Students protest a proposed amendment to the Massachusetts Constitution that would ban gay marriage.

In California

The California Supreme Court ordered an immediate halt Thursday to gay marriages in San Francisco but did not rule on the legality of the marriages that have been performed since Feb. 12.

In Massachusetts

State legislators gave preliminary approval Thursday to a constitutional amendment that would strip gay couples of their court-granted right to marriage but allow civil unions.

MORE COVERAGE ON PAGE A3

WEATHER

Low: 19 High: 40
It will be sunny all day, with winds at 10-15 mph.

Complete forecast, B8

INDEX

Advice	E2
Business	C1-8
City/State	B1-8
Comics	E4, 6
Editorials	A18
For the Record	E2
Billy Graham	E2
Lotteries	A2
Movies	G4-13
Obituaries	B6, 7
Public notices	F4, 5
Puzzles	E6
Sports	D1-12
Star Classifieds	F1-10
Stocks	C2, 4-8
Television	E7
Weather	B8

ONLINE

Go to IndyStar.com/commuting for road construction reports and commuting news.

COMING SATURDAY

Home & Garden: Outdoor cooking is the flavor of the 2004 Indiana Flower & Patio Show.