

Bush stock deal surfaces late at SEC

By SCOTT WILLIAMS

Dallas businessman George W. Bush is deflecting questions about an \$800,000 insider stock deal that went undisclosed for eight months — an episode that Bush compares to his brother Neil's widely scrutinized business affairs.

The son of President Bush last year sold about two-thirds of his stock in Harken Energy Corp. Because he serves on the board of the oil and gas company, the insider transaction should have been disclosed to the public almost immediately.



BUSH

The paperwork did not turn up at the U.S. Securities and Exchange Commission until March of this year.

In his first interview about the episode, though, Bush denied missing the disclosure deadline. He said he filed the necessary paperwork with the SEC on time, but that it was misplaced somehow and ultimately proved to be "irretrievable."

He said he has not received the customary SEC letter of warning about delinquent filings.

"Why would I receive a warning letter?" he said. "I don't view that I was trying to defraud anyone."

Officials at the SEC released copies of the delinquent form that Bush filed, but they rejected a request from the *Dallas Business Journal* for additional information. They also refused to explain why no warning letter was sent.

THE STOCK YARD
Harken Energy Corp.
Chairman: Mikel Faulkner
Address: 2505 North Highway 360, Grand Prairie
Stock price: (AMEX:HEC) \$3.87
Operations: Explores for, develops and produces oil and natural gas reserves in the United States and abroad.
Number of Employees: 100

"We will not comment on any individual's personal situation," said agency spokeswoman Mary McCue.

With disclosures to the SEC running late on approximately 20 percent of all insider transactions, Congress recently toughened the penalties by requiring a company to inform its own stockholders about delin-

quent insiders within the company.

Those changes, however, did not take effect until May 1 — several weeks after Bush's stock sale was disclosed.

The oldest son of President Bush and also the managing partner of the Texas Rangers baseball franchise, Bush, 44, sold more than 200,000 shares of Harken stock because, he said, he needed the money.

Asked why he needed money, Bush bristled at the question and admitted that he has become "a little sensitive" to questions about his private business dealings.

"You saw what happened to my little brother, didn't you?" he said. "That's what happens when the press runs amuck."

Neil Bush has been embroiled in the nation's savings and loan crisis because of his involvement with a failed Colorado thrift. He has been accused of engaging in conflicts of interest for approving loans to acquaintances while serving on the S&L's board of directors.

There have been suggestions recently that such public scrutiny of family members will factor into President Bush's decision on whether to seek re-election next year.

The president's son, a graduate of Harvard Business School, got into the oil business in the mid-1970s. His company was

see BUSH, page 18