

BILL WHITE

Interview by: Bob McKeown

LET'S GO BACK TO THE BEGINNING. WHEN DID YOU FIRST MEET JAMES BATH? I met him when I graduated from Business School in nineteen seventy-eight. I came down to Houston for an interview.

AND WHAT KIND OF PERSON WAS HE? I was actually recruited from Harvard Business School by Lan Bentsen, Senator Bentsen's son. When he found that I was a Navy Fighter Pilot, he said that there was an Air Force Fighter Pilot in Houston that I should meet – a pilot who the Bentsen family and the Bush families were already in business with. And he said that this fellow James R. Bath needed someone to run a series of real estate companies that would be grub staked by not only the political families, but also by some foreign Nationals - the Saudis. And so I came down for an interview and met Jim Bath.

SO, THE INTRODUCTION WAS MADE BECAUSE YOU HAD THE COMMON GROUND OF HAVING HAD BOTH BEEN PILOTS? Exactly. We're both fighter pilots.

AND AT THE TIME BATH WAS IN BUSINESS IN HOUSTON DOING WHAT? He was in Business primarily operating an Aircraft Brokerage Company called JB&A which stands for Jim Bath and Associates. He also ran a company in the same building called Bin Laden&Associates which Jim explained was a procurement company for the Saudis.

NOW AT THAT POINT, HAD YOU EVER HEARD THE NAME BIN LADEN? No, I had not.

AND AS YOU INVESTIGATED AND FOUND OUT WHO THESE PEOPLE WERE, WHAT DID YOU LEARN? Well, I learned that there was a relationship between the Saudi Royals and the politicians here in the United States. Bath was helping to protect the Saudi Royal Family by hosting some of the Saudi Nationals who were at our Air Force bases being trained as pilots. We had a Prince (Sultan) training at NASA who was the first foreign National to fly on the US Space Shuttle. We had other foreign Nationals here too. Jim was functioning as an intermediary between the Bushes and the Saudi Royal Family.

HOW HAD JIM BATH BEEN ANNOINTED TO BE THIS INTERMEDIARY BETWEEN THE SAUDIS ON ONE HAND AND FAMILIES LIKE THE BUSHES ON THE OTHER? Well, Jim explained that in the early seventies George Bush Junior, our current President, came on board the Texas Air National Guard where Bath was stationed along with some other Politicians' children. This is during the Vietnam War era when Bush and Bath became drinking buddies and good friends. And then in 1976, when Dubya's Father became CIA Director, the CIA was trying to privatize its air affiliate subsidiaries. Jim was actually

recommended to the CIA Director, George Senior, by Dubya - that's when the relationship was established.

AT THE POINT THAT YOU FIRST MET JIM BATH, HE WAS NOT ONLY CONNECTED TO THE SAUDIS, TO THE BIN LADENS BUT ALSO TO THE BUSHES? That's correct.

“He spent probably ninety-five percent of his time, I'd call it hand-holding the Arabs. He bought a bank for them. He bought an airport for them.”

SO IN A SENSE, AT THE POINT WHEN YOU FIRST MET HIM WAS BATH THIS LINK BETWEEN THE BUSHES ON ONE SIDE AND THE BIN LADEN'S AND SAUDIS? Right. That link had already been established and Jim was actually in an operational mode. He spent probably ninety-five percent of his time, I'd call it hand-holding the Arabs. He bought a bank for them. He bought an airport for them. He started an airline for them among other ventures in Houston, Texas and was the nominee or the front man for their ownership of these various entities. He would spend most of his time dealing with their interests while I concentrated on running our real estate development company.

WHAT WAS THE EXTENT OF THE INTEREST OF THE SAUDIS IN AND AROUND HOUSTON? WHY DID THEY COME TO TEXAS AT THIS TIME? Well they had a large presence here because of their oil interests (Aramco & Saudia are headquartered in Houston). And they had banking interests by virtue of Bush Senior's association with First International Bank which subsequently became InterFirst. And there was also John Connolly, who was a former Democrat who turned Republican and worked in the Nixon Administration with Bush, he ran First City National Bank. We also had James Baker and his Baker&Bott's Law Firm, so you basically had a confluence of political and business interests that were friendly to the Saudi Royal Family here in Houston.

IN THE MID SEVENTIES WHEN YOU FIRST CAME IN CONNECTION WITH JIM, WHAT DID YOU LEARN THROUGH BATH ABOUT THE EXTENT OF THE BUSH CONNECTIONS AND THE BUSH HISTORY WITH SAUDI ARABIA? Well Bath explained to me that he had been tapped by George Senior to set up a quasi-private aircraft firm that would basically engage in CIA-sponsored activities funded by the Saudi Royal Family. He explained that the Saudis had basically entered into a quid pro quo relationship with Bush and that Bush when he was CIA Director worked with the head of Saudi Intelligence and the CIA trained the Palace Guard to protect the Saudi Royal Family who was concerned about a fundamentalist revolution. And it was at that point I think that this thing got kicked into high gear and the Saudis agreed to provide surreptitious funding to the United States to fight its secret wars in Afghanistan and Nicaragua. Payback came when Bush as Vice President sent AWACS and F-15 fighter jets to Saudi Arabia and supported Saddam Hussein under the adage that '***the enemy of my enemy is my friend***'. We had the Iran-Iraq War at the time so that's really how the relationship evolved.

“That’s my understanding although I think in retrospect the Saudis realized that they had the power, the magic wand by virtue of their Petro-dollars and that they could use that to influence US foreign and domestic policy. “

TO WHAT EXTENT DID PEOPLE LIKE BIN MAHFOUZ AND ... BIN LADEN SET UP THEIR OWN INFRA STRUCTURE IN HOUSTON? DID THEY HAVE HOMES THERE? DID THEY HAVE PERSONAL RELATIONSHIPS THERE? HOW MUCH TIME DID THEY SPEND THERE? Yes they spent quite a bit of time here. When we say they had interests like homes and businesses here, they were all almost invariably set up in trust. The agreements were drawn up by some of the big law firms in town. And the Saudis’ ownership was always artfully hidden behind nominees or front people like Jim Bath or one of the lawyers who acted as a Trustee. The Arabs would fly into town and Jim would entertain them. They threw parties and hosted social events.

SO YOU WERE PART OF THIS ON OCCASION? Jim actually seemed to be grooming me. I was ten years younger and his protégé. Instead of taking his airplane company employees, he seemed to take me to all the Chamber of Commerce functions that George Bush Jr. was speaking at, the lunches at the Ramada Club that George Bush Sr. attended, and the parties at the Big House, as he called it, that the Saudis were in attendance at. Now the Arabs were very different in their personalities. Salem Bin Laden was very Westernized. He wore Western clothes. He spoke English and was very articulate. He liked to entertain and acted as the Master of Ceremonies. Whereas bin Mahfouz typically wore the traditional Saudi garb. He was very reclusive. He was not fluent in English. And so there was a very great disparity between the two individuals.

WHAT DID YOU LEARN TO BE THE, THE BUSINESS TIES AT THAT POINT BETWEEN THE BUSHES AND BIN MAHFOUZ AND BIN LADEN? Well, Bath had told me that he had used Saudi money to fund George Bush Junior’s start up in the Energy business.

THIS IS THE ARBUSTO OPERATION? Yes, the Arbusto Partnerships that started in Midland, Texas in the late seventies - early eighties.

WHAT DID THE DOCUMENTS SHOW? Well I have copies of Jim’s personal financial statements to show that he maintained a revolving line of credit for the Bin Laden Family.

AND HOW MUCH? It’s \$6 to \$7 million on the statements that I have. And then on schedules that show his partnership interests, he shows a personal partnership interest of \$25 thousand dollars invested in Arbusto Seventy-Nine and another \$25 thousand dollar investment in Arbusto Eighty. But those only represent his personal share of the Arab money that went into those ventures.

DO YOU HAVE ANY KNOWLEDGE OF HOW MUCH MONEY THE SAUDIS PUT IN? Well he told me it was in excess of a million dollars. But I don’t have documents that show exactly how much. I just have Bath’s word to take for the amount.

AND TO YOUR KNOWLEDGE, HOW IMPORTANT WOULD THAT MONEY HAVE BEEN TO GEORGE W. BUSH? Well, at the time I could tell you as a fledgling entrepreneur it would have been of critical importance.

HE'S JUST STARTING OUT. SET THE SCENE FOR US HERE. AT WHAT STAGE OF HIS CAREER WAS GEORGE W. BUSH BACK IN NINETEEN SEVENTY-NINE? Yes, in 1979 as I understand it he was a fledgling entrepreneur just trying to get a business off the ground. Obviously it would take seed capital to get into the oil exploration or drilling business as it was very expensive even back then to purchase land leases, rent oil rigs, and hire Wild Catters to drill. So the business was all capital-driven.

AND ONE OF THE FIRST IN WAS JIM BATH. Yes. Well, Jim Bath was investing as nominee for the Saudis. I mean Bath was very forthright with me when we went into business together in 1978. He said: "Bill, I come from a poor background, I have no money of my own and this relationship with the Bushes and the Saudis is of paramount importance to me because I derive all of my capital and all of my business contacts from that relationship."

NOW JIM BATH HAS EFFECTIVELY DENIED HE PUT SAUDI MONEY INTO GEORGE W. BUSH'S COMPANIES AT THAT POINT. I don't believe that he's either denied it or admitted to it. My understanding is that he's dodged the question by refusing to answer questions pertaining to the funding of Dubya's companies. I do know that Time Magazine, when they began to investigate this got George Bush Junior to go on the record having denied being in business with Bath and saying that they were just personal friends. Once he was confronted with the documents, then Bush recanted and admitted that Bath had put money in. But my understanding is that in the aftermath of the 9-11 catastrophe, the White House denied that any of that money was Saudi money. They are maintaining that it was all Bath's money.

"Well I know that it was Saudi money because Bath had no money of his own. We were in business together. I saw his personal financial statements. I knew the amount of cash he had available at any given time. "

AND HOW DO YOU KNOW THERE WAS SAUDI MONEY THERE? Well I know that it was Saudi money because Bath had no money of his own. We were in business together. I saw his personal financial statements. I knew the amount of cash he had available at any given time. And he also confided in me that the money invested both in our Real Estate business and in Dubya's Energy business was Saudi money. That was the only money there was.

SO EVEN THE FIFTY THOUSAND DOLLARS YOU SEE REFLECTED IN THOSE FINANCIAL STATEMENTS HE WOULD NOT HAVE HAD THAT AS ... CASH? No, if you look at his financial statement it'll show that he has maybe fourteen thousand dollars in cash. He has millions of dollars in assets but the only cash available is this Bin Laden revolving line of credit.

SO THERE'S NO QUESTION IN YOUR MIND WHATSOEVER THAT WHATEVER WENT INTO GEORGE W. BUSH'S COMPANIES FROM JIM BATH WAS MONEY ... One-hundred percent of it was Saudi money.

AND GEORGE W. BUSH WOULD HAVE BEEN AWARE OF THAT? Oh, absolutely. Bush was responsible for Bath's relationship with the Arabs from the onset. So of course he was aware.

LET'S, LET'S LEAP AHEAD HERE. WHAT, WHAT CAN YOU TELL US ABOUT UH HARKEN ENERGY? I'm not very knowledgeable about Harken Energy. I just know that Arbusto went through several iterations and became Harken Energy. My understanding is that once again the Arabs came in and bailed Bush Jr. out of some bad business ventures resulting from his bad business decisions and that because of this, he was able to cash in his chips prematurely before the stock nose-dived. What's of most interest to me in that light is that James Doty, the first Attorney with Baker & Botts who attempted to compel me to cover up this whole story exonerated Bush Jr. from insider trading allegations relating to his dumping of Harken stock while he was with the Securities and Exchange Commission working under Bush Sr.

“He would take the Saudis to Las Vegas and entertain them and he made mentions of procuring prostitutes for them, and commented about the hypocrisy of them being religious zealots when they were in Saudi Arabia when he visited there, on the one hand, and then engaging in this drinking and womanizing when they were in this Country. “

LET'S TALK A LITTLE MORE SPECIFICALLY ABOUT BATH'S RELATIONSHIP WITH BIN MAHFOUZ AND BIN LADEN. HOW, HOW DID YOU OBSERVE BATH'S RELATIONSHIP WITH THOSE TWO MEN? WHAT, WHAT DID YOU SEE OF IT AND CAN YOU CHARACTERIZE IT FOR US? I can characterize it. Bath was their Business representative. And he would buy the Main Bank on their behalf. He would then hire the Bank President. He also serve on the Bank's Board of Directors. He purchased the Houston Gulf Airport on their behalf. He set up a management infra-structure to maintain the Airport and to operate it.. And so he really was their figurehead as these enterprises cannot legally be owned by foreign Nationals. If you have an aircraft and want to have it FAA-certified, it's got to be owned by a US citizen. And so by Bath stepping in to the fray as the ostensible owner of that aircraft, the Saudis were able to control and manage businesses in the United States that otherwise that they could not have. So he was the point man in that respect for their Business interests.

ON THE OTHER SIDE OF IT, DID YOU SEE BATH IN HIS RELATIONSHIP WITH GEORGE BUSH SENIOR AND GEORGE W. BUSH? Yes, I did. It was very limited. The Bushes made a point of never interfacing personally with the Saudis. It was always done with a wink and a nod. But as I recall, Jim was the Chairman of the Aviation Committee for the Houston Chamber of Commerce and he would schedule Speakers for the luncheons downtown and would always take me as his protégé to the luncheons. And I remember riding with him to the Chamber meeting – I think it was 1980 – and he said: “Bill, I can't wait for you to

meet the guest speaker that I have arranged for the Chamber luncheon.” He said: “The two of you are cut from the same cloth.” He said: “You’re both Fighter Pilots. You’re both Harvard Business School Graduates. You’re going to love this guy.” And so when I arrived at the luncheon, he introduced me to George Bush Jr., our current President. And Bush gave a talk. Jim introduced him as his friend from the Air National Guard days. That was the one time that I met George Bush Junior. And then George Bush Senior, I met at a luncheon at the Ramada Club when he was Vice President. He came in when Jim and I were sitting on a sofa facing the elevator bank. The elevator doors opened and then the Vice President walked off with his Secret Service entourage and he just looked at us and said: “Jim” - and kind of winked at him and nodded - and then went off. It was kind of a knowing look as they were obviously very guarded about any public display of familiarity.

“I attended too many funerals at Arlington National Cemetery where we had twenty-two year old widows with little children in attendance because we believe so strongly in these principles and in fulfilling that obligation and when you find out that other people like the President who have taken that same Oath or entrusted with great responsibility had basically sold out for political ambition or for just raw greed you know it does not sit well with us”

IF JIM BATH WERE TO SAY ‘BILL WHITE’S GOT A CHIP ON HIS SHOULDERS. WE HAVE BEEN INVOLVED IN LITIGATION FOR A DECADE AND A HALF, OF COURSE HE’S GOING TO BE SAYING THESE THINGS ABOUT ME AND ABOUT MY FRIENDS’. HOW WOULD YOU RESPOND? Well I would say with all candor that I have no hidden agenda or no desire to get even. What motivates me is that I took an Oath as a Navy Fighter Pilot, much like the Oath that the President or the Congressmen take, to defend and protect the Constitution of the United States against all enemies both foreign and domestic. A lot of my Annapolis classmates believed in that Oath to the extent that they went into harm’s way in Vietnam. Their blood has been spilled all over South East Asia. I attended too many funerals at Arlington National Cemetery where we had twenty-two year old widows with little children in attendance because we believed so strongly in these principles and in fulfilling that obligation. When you find out that other people like the President, who have taken that same Oath and is entrusted with great responsibility, have basically sold out for political ambition or for just raw greed, you know it does not sit well with us. The only reason I’m willing to go on camera or even tell this story is not because of any resentment or bad blood against Jim Bath or George Bush, but because I think the truth’s important and I think to the extent that people have taken that same Oath and have compromised their values, and made the United States vulnerable to these Saudi interests, I think that information needs to be made public. It needs to be aired. And the electorate needs to know it.

“ I just can’t imagine how he can be an objective arbitrator of the Bin Laden family’s activities when in fact he’s taken money from them that’s never been reported publicly and I think he’s compromised. And that’s of great

concern to me. And I think that's a great concern to the families of the victims of the Nine-Eleven tragedy. "

HAVE YOU SEEN IT AFFECT THE PRESIDENT'S PERFORMANCE DO YOU BELIEVE? Oh I feel certain that it's affected his performance. Just hearing about the Bin Laden family members in this Country who were flown out during the airways lockdown in the aftermath of 9-11 and the fact that the Administration blocked both the FBI and CIA investigations into the Bin Laden family members living in the United States under the auspices of - oh gee the family are all patriotic citizens except for this one bad apple Osama - I mean I just have a hard time buying off on that. I can't help wondering if the money that changed hands back during my experiences with Bath hasn't influenced or clouded or even compromised the President's ability to wage War against Terrorism. I just can't imagine how he can be an objective arbitrator of the Bin Laden family's activities when in fact he's taken money from them that's never been reported publicly. I think he's compromised and that's of great concern to me. And I think that it's also a great concern to the families of the victims of the 9-11 tragedy.

HOW DIFFICULT HAS JIM BATH MADE THE PAST FIFTEEN YEARS FOR YOU? Well, when Bath and I first had our conversation where he requested that I cooperate in a cover-up, he said you've got a choice. He said you can either do this voluntarily or the Bank that's laundering the Saudi money and I are going to inundate you in frivolous lawsuits and we're going to make your life "a goddamn living hell". Those were his exact words. He also said: "Now I know you being Mom and Apple Pie think that America's about truth and justice, but that's nothing but a bunch of horse petui." He said if we sue you, number one you're not going to have money to pay lawyers to defend yourself against these lawsuits, and number two, in the unlikely event that you could ever get legal representation, all it would take is a call from George Bush to the Republican Judges who are beholden to him - his political appointees, and he said you'll never get a chance to tell this story to a Jury. You'll never even get a day in Court.

HE QUOTES THE NAME OF GEORGE BUSH - Oh absolutely.

SENIOR OR JUNIOR? Senior. He said that he would call the politically appointed Judges and I would never get due process. And that really is what motivated me to fight the fight in the courts. I couldn't believe in the aftermath of all of us risking our lives fighting for the system that we could be denied our rights of due process under law. I just couldn't believe that. Unfortunately I thought it was a bluff, but it turned out to be true because what he predicted is precisely what happened. I thought it was Bath who was blowing smoke so I resisted and I said: "Jim, I'm not going to sue you, I'm not going to go report these Saudi dealings to the DA's Office. I just don't want to be in Business with you anymore." Then I called my Attorney and I didn't instruct him to file a lawsuit. I said please look at our Partnership agreement and find out how I can become a Businessman independent of Jim Bath. I just don't want to be involved in all this. Well, I never had that luxury because Bath and the Bank that was laundering the Saudi money inundated me in lawsuits. I had four criminal charges and I think twenty-eight civil

lawsuits that were filed against me concurrently. And it just dominated my life. Fortunately I was able to get legal representation. The best lawyers in Houston took up my case on a contingency fee basis. They filed counter claims against Bath alleging Saudi influence peddling with the Bush family, although in retrospect when I read my own legal pleadings, the lawyers were very careful to remove a lot of the references to the threats and avoided using the Bin Laden, the Bin Mahfouz the Bush name. And I would ask my own lawyers, why aren't you stating succinctly the nature of the Bath's threat?. And they'd say: "Well Bill, you know we don't want to make the Judges angry. We have to be very careful."

AND IT WASN'T THAT THEY DIDN'T BELIEVE THOSE LINKS WERE TRUE, IT WAS JUST THE OPPOSITE. THEY BELIEVED THEM ?- They believed the links to be true. They're afraid of backlash from the Judges. One of my many Lawyers, John O'Neill of Porter and Clements, was actually the campaign manager of one of the Republican judges who poured me out every case - Judge Lewis Moore,. And when John found out that my case was assigned to Judge Moore he said: "Bill, we've got this case made-in-the-shade." He said: "This guy - I'm his campaign manager. I raise funds for his reelection. No problem." And then we'd get into the courtroom and be poured out without a trial. And John would shake his head and comment: "The Judge must have gone crazy. I can't believe it, he's never treated me this way."

WHERE IS JIM BATH TODAY? He's in hiding in Houston. He's in hiding.

HE HAS NOT BEEN SEEN? Oh he's been seen. I ran into him at the grocery store about nine months ago. But he was formerly high profile in the Community. He had a very prominent role with the Chamber of Commerce and in Houston social circles. It was only after Bin Mahfouz was indicted by the Manhattan District Attorney in 1991 paid a \$225 million dollar fine, was kicked out of the Country and his Banks BCCI and NCB were shut down, that Bath basically was put on ice by Bush because he became a political liability. And if you call his Aircraft Brokerage Company, JB&A, they'll tell you: "We know who Jim Bath is but we haven't seen him in years and we don't know how to contact him." So he's, he's really being kept on ice.

AND WHERE DO YOU THINK PHYSICALLY HE IS?

I think he's at his ranch in Simmons Bottoms (in Dayton Texas). He's got a ranch out there with a landing strip. I see his airplane flying over every day so I know he's still flying.

WHEN GEORGE BUSH SENIOR WAS REPLACED AS DIRECTOR OF THE CIA, WHERE DID HE GO? He came to Houston where he became affiliated with a Bank in Houston called FIB, First International Bank. And that was the bank that Bath used to deposit the Saudi money. That's where the Bin Laden revolving line of credit was. The name changed in 1980 to InterFirst Bank from FIB but it was the same bank.

AND YOU SAY HE WAS CONNECTED WITH THIS BANK. WHAT WAS GEORGE BUSH SENIOR'S INTEREST? He was Chairman of the Executive Committee of the Bank.

SO THAT'S MORE THAN CONNECTED. Well, more than connected. Yes.

FUNDAMENTAL ROLE. He was the principal player.

“This is no coincidence at all. This is all arranged. It was all arranged at the time that Bush made his quid pro quo relationship with the Saudis. “

SO NO COINCIDENCE AS FAR AS YOU'RE CONCERNED THAT THE SAUDI MONEY AND THE MONEY THAT BATH'S DOING BUSINESS WITH, ENDS UP AT GEORGE BUSH SENIOR'S BANK? No this is no coincidence at all. This is all arranged. It was all arranged at the time that Bush made his quid pro quo relationship with the Saudis. My understanding of it is that Bath represented the Bush interests and Bin Laden/Bin Mahfouz interchangeably represented the Saudi Royal Family interests. People who have tried to villify the Bin Laden family or the Bin Mahfouz family fail to realize that the Saudis have a very patriarchal society and that according to Bath, neither of those families sneeze without the Saudi Royals' blessing. I mean everything they do is at the beholding at the Saudi Royal Family. As a matter of fact, Bin Mahfouz' Bank NCB is the only Bank that was not nationalized in Saudi Arabia. All the rest of the Banks were nationalized in 1974 except National Commercial Bank (NCB) which is privately owned by Bin Mahfouz. That's where the Saudi Royals keep all their personal money.

SO AGAIN, THEN YOU'VE GOT BIN MAHFOUZ AND BIN LADEN TIGHTLY CONNECTED TO THE SAUDI ROYAL FAMILY ON ONE SIDE ?

Right.

GEORGE BUSH SENIOR AND HIS SON ON THE OTHER SIDE, AND IN THE MIDDLE JIM BATH ?

Right.

THERE'S NO QUESTION IN YOUR MIND THAT THESE WERE ALL INTER-RELATED? THEY, COULD THEY NOT HAVE BEEN ARM'S LENGTH RELATIONSHIPS? No.

YOU'RE SURE IF BATH WAS DOING BUSINESS WITH THE SAUDIS, SURE HE WAS DOING BUSINESS WITH THE BUSHES, BUT NEVER THE TWAIN WOULD MEET? There's no way. I mean Bath confided in me and told me the nature of the relationship. His rendition fits every bit of evidence I've seen. I've met all the players including the Bushes and the Saudis - everything fits and is very consistent.

AND THAT WOULD EXPLAIN JIM BATH'S POSITION? Absolutely. He went from a nondescript nobody, who had no capital and no political connections, to this high-rolling business man who's managing banks and fleets of airplanes for

the wealthiest individuals on the planet. That doesn't happen by accident. I mean Jim's a very capable, personable guy but he doesn't have the pedigree, the credentials, or the connections on his own to explain any of this.

SO HOW IS IT HE WAS CHOSEN TO BE THIS EXULTED ONE? Well if you recall back in the mid-1970's the CIA came under fire for trying to assassinate Fidel Castro, for engineering elections in Latin America and putting friendly Dictators in power. The Church and Pike committees were empanelled in Congress to bring the Agency under control. After these Intelligence committees investigated illegal CIA activities they issued a stinging report concluding that it is incompatible for the Government of a Democratic Society to engage in KGB-type activities. What Bush did as CIA Director, rather than just terminate these activities, was to privatize them. He began to look for people qualified and willing to form quasi private corporations to take control of these assets and continue to do the CIA's bidding. Because he needed a pilot to form an Aviation cutout, he turned to the obvious referral source - his Son George Jr. who was in an Air National Guard Aviation Squadron. All military pilots like myself and Bath have to hold top-secret security clearances, are clearly patriots, and have been vetted by the FBI. Knowing this (as a former Naval Aviator himself), George Bush Sr. asked Dubya: "Do you know a guy in your Air National Guard Unit who we could bring in to operate an Air proprietary and deal with the Saudis?" George Jr. responded by recommending his drinking buddy, Jim Bath.

AND THIS IS WHAT JIM BATH TOLD YOU? Jim's a very capable, personable guy. In retrospect, he's somebody that I probably would have chosen for that responsibility had I known him back then.

AND IT WAS THROUGH THAT CONNECTION WITH THE BUSHES THAT HE ATTRACTED THE ATTENTION OF THE SAUDIS? Right, well he was introduced to the Saudis. That was clearly was an arranged marriage.

AND AGAIN INTRODUCED BY?
By the Bushes –

... FOR THEIR REPRESENTATIVES?
Absolutely. Yes. Absolutely.

“Well it's cost me virtually everything, financially. I lost my business, all my real estate holdings, all of my assets were conveyed to Bath in the lawsuits”

WHEN YOU LOOK BACK OVER ALL OF THIS HOW MUCH HAS IT COST YOU IN FINANCIAL AND OTHER WAYS? Well it's cost me virtually everything, financially. I lost my business, all my real estate holdings, all of my assets were conveyed to Bath in the lawsuits, my house was foreclosed on because the mortgage was held by the Bank that was laundering the Saudi money, all my property was sold at constables' sale, my Navy retirement was forfeited, and we paid a terrible price. One irony was that during this litigation process, when I

refused to cooperate in the cover-up, they began to offer me money and banking business - a package worth millions of dollars if I would only sign what they called a Settlement Agreement. But as I explained to my Lawyer, the Settlement Agreement was nothing but a 'hush money' agreement. It said basically that we could never have this conversation and that I could never disclose the Bush-Saudi relationship. I felt that to take that money and to sign that Agreement would have been to basically spit on the graves of all of my friends who died in Vietnam and were fighting to fulfill the Oath we took to protect the Constitution. So I've paid a heavy price but I really feel like some of us have a destiny. I certainly didn't choose this destiny, but it was thrust upon me and I'm trying to do my best to get the truth out. And again there's really no ill will toward Jim Bath or George Bush. It's just a matter of getting the truth out on the table and letting the consequences be what they may. But I think the truth's important.

HAS THIS BEEN GOING ON FOR MORE THAN A DECADE AND A HALF?

Yes.

“So, in this case because we fought the fight through to the bitter end, now at least the truth has a chance of getting out and being laid bare. “

IT'S JUST RIGHT THERE AT THE FOREFRONT OF YOUR ... ? It's like a tar baby because you think you've put it behind you and then 9-11 happens and all of a sudden, it surfaces again and it's germane - it's material. I feel like it's divine destiny and that world events have really made the fight meritorious in a sense because now people do care. They're starting to wonder about the integrity and the motives of these people and so what happened is now relevant. I mean it's extremely relevant. And so in that sense it validated the fight we fought. I've been told by my own Lawyers that most people in my situation have a skeleton or two in their closets, They have a drinking problem, they're doing drugs or they're married and have girlfriends on the side. So when they're confronted with the threat to expose their dirty laundry, they take the easy way out by signing the Settlement Agreement. They take the payoff money and then the story never gets out. So, in this case because we fought the fight through to the bitter end, now at least the truth has a chance of getting out and being laid bare.

YOU SAY WATCHING THE EVENTS UNFOLD AFTER 9-11 – YOU REALIZED HOW RELEVANT YOUR EXPERIENCE AND YOUR KNOWLEDGE NOW ARE – Yes.

“I can tell you in the Military that if you have any potential conflict of interest that you won't get a security clearance because you're subject to blackmail. We currently have somebody in the Oval Office who's subject to blackmail. That disturbs me. That's why the Saudis' secret funding of the Commander-In-Chief's oil business is relevant.”

WHAT DO YOU THINK IS THE ESSENTIAL RELEVANCE OF WHAT YOU KNOW AND WHAT YOU HAVE GONE THROUGH, AND WHAT'S GOING ON NOW? I don't believe that Bush as President can be an objective arbitrator of the

war on terrorism. The Bin Ladens and the Saudis are obviously involved. Fifteen of the nineteen terrorists were Saudis and the Saudis, including Bin Mahfouz and his National Commercial Bank, are known to have been funding the Islamic charities that have funded the Terrorists. The same people that were doing business with Bath at Bush's request and funding Bush's business interests have been sponsoring terrorism. The Saudis basically had Bush on the payroll back in the late seventies and early eighties. Because of this, Bush moved heaven and earth to keep this information under wraps including calling in chits with Houston Judges. Concealment of these dealings puts the Saudis in position to blackmail the President of the United States. This may account for the Administration quashing investigations into Saudi activities including their funding of Islamic charities. I can tell you in the Military that if you have any potential conflict of interest that you won't get a security clearance because you're subject to blackmail. We currently have somebody in the Oval Office who's subject to blackmail. That disturbs me. That's why the Saudis' secret funding of the Commander-In-Chief's oil business is relevant.

IN TERMS OF THE RELATIONSHIP BETWEEN THE BUSHES AND THE SAUDIS – WAS THERE SUPPORT FOR HIS PRESIDENTIAL CAMPAIGN? My understanding from Bath was that they were making campaign contributions by taking brief cases full of cash to the law firms. They would give the cash to the lawyers and then each of the lawyers in turn would make a thousand dollar campaign contribution to Bush or Bentsen or whomever.

WHICH WOULD PRESUMABLY BE AGAINST ELECTORAL LAW – Well, it is against the law but it's obviously concealed by virtue of the Attorneys making the contributions. And that's my understanding of how it worked. Again I didn't see the money changing hands.

BUT BATH EXPLAINED THIS TO YOU? Yes.

IN THOSE TERMS? And he also did it himself in his own dealings with the City of Houston. He even arranged for the employees to make thousand dollar campaign contributions to the City, the Houston City Councilmen who sat on the Aviation Committee and awarded him the grant of an FBO Franchise at Houston's Ellington Airport. Then Bath would reimburse everyone who made the thousand-dollar contribution which is the statutory limit in cash allowed from a single donor.

WHICH AGAIN WOULD BE AGAINST THE LAW. Well of course it's against the law. But that's the way Bath operated. He told me when he did it that he was mimicking the Saudi funding of the Bush campaign.

WE VISITED THIS EARLIER BUT TO WHAT EXTENT WERE YOU PART OF THIS SOCIAL RELATIONSHIP WITH THE SAUDIS? HOW OFTEN WOULD YOU SEE THEM? UNDER WHAT CIRCUMSTANCES? CAN YOU DESCRIBE HOW THEY, HOW THEY ACTED PERSONALLY, PRIVATELY? Oh, yes I can. Salem Bin Laden was very gregarious. He was very Westernized. He wore Western clothing, was very articulate, and spoke English well. And he was a gad-

fly, an international playboy. He would buzz into town with an entourage and he would have a party over at the Big House with a lot of the important Houston businessmen and attorneys in attendance. And he would entertain by playing the piano and singing. It was all over cocktails and was quite interesting. There was some unseemly conduct as well. On one occasion one of my secretaries came into work about an hour and a half late and she told me that Jim Bath had called her at eleven o'clock the night before and told her that Salem Bin Laden was at the hotel and he was lonesome and would she go over and entertain him for a while. He would also take the Arabs to Las Vegas and arrange for prostitutes and things like that. I was fortunately never part of the unseemly side of it but I did interface with them directly.

YOU SAY THE BIG HOUSE, WHICH HOUSE IS THAT? That is a big mansion on Willowick Street in the River Oaks area - it was actually three houses. There was a central estate that had a swimming pool behind it that was shaped like a kidney bean with an island in the middle of it and a bridge across to the island. There were lighted tennis courts and the three and a half acre property was right on the bayou. The house was recently sold to Tilman Fertita, one of Houston's biggest restauranters.

TO YOUR KNOWLEDGE DO THE BIN LADENS AND OR BIN MAHFOUZ' STILL HAVE RESIDENCES THERE? I have no knowledge of that. Salem Bin Laden was killed in 1988 in a plane crash in San Antonio. I believe that after Bin Mahfouz was indicted in the early 1990's that they begin to liquidate his holdings here. I heard through a Lebanese source in the late 1990's that he had re-entered the United States and was re-acquiring assets and doing business here again. But I have no personal experience or knowledge of that. NOW THE FIRM IN WHICH YOU WERE IN BUSINESS WITH JIM BATH WAS A REAL ESTATE DEVELOPMENT COMPANY. That's correct.

DOING WHAT SORTS OF PROJECTS AND HOW, HOW PROFITABLE? Well we were building multi-family residential projects - basically five to eight million dollar projects. And we were also working on Corporate Aviation facilities at both Airports. Our businesses were generally profitable because Ww were very conservative in our approach. Our financing included adequate equity capital and I was very zealous in getting low interest rate mortgages through housing finance corporations as opposed to borrowing high interest rate money at thirteen and a half percent. So, when the market downturn occurred and in 1986, our projects relative to other developers were doing very well. InterFirst Bank in fact they put me on their Board of Directors for Business Development and recommended me for the Board of the Arthritis Foundation. The Bank indicated that they were going to steer their foreclosed properties to us to have us manage them and do the workouts. They were very confident in our capabilities.

“Over in Saudi Arabia if you steal an apple from a fruit stand they summarily cut your hand off at the wrist. He said if the Arabs find out I've stolen a half a million dollars of their money, they're going to cut off my private parts.”

SO WHAT WAS IT THAT LED TO THE RIFT BETWEEN YOU AND BATH?
Bath was the funding partner for our real estate business. I was thrown for a loop when Bath sent me an interestpayment invoice relating to a \$550 thousand dollar personal loan that he had at InterFirst Bank. The invoice indicated that a \$27 thousand dollar interest payment was due and Bath's handwritten notation said: "CW can you help with this?" My thought was - gee this is peculiar. Here was the guy that sent money down to fund our business asking if we can help make one of his personal loan payments to the Bank? I threw the invoice in my 'hold' basket and thought nothing of it until Bath's Bank Office called me. Jim McNutt from InterFirst Bank phoned and said: "Bill, Jim Bath said you're going to make this payment for him." I replied: "Well Jim, you know if I had the money I'd be happy to make Jim's payment for him. I just don't have the money." McNutt said: "Well I'll have Bath call you." And that's when Bath came down to the Conference Room and said: "Partner, I need you to help me make this payment I've borrowed money from the Arabs to secure this personal loan at the Bank, I'm having trouble making this quarterly interest payment. If I don't make it, the Bank's going to cash the Arab Certificate of Deposit in", and he continued: "you don't understand how things work in Saudi Arabia." He said: "If you steal a six-pack at a Seven-Eleven in the United States, you get a lawyer and you have a Trial and the Merits." He stated that: "Over in Saudi Arabia if you steal an apple from a fruit stand they summarily cut your hand off at the wrist." He said: "If the Arabs find out I've stolen a half a million dollars of their money - they're going to cut off my private parts." He also said that when Bush finds about it: - "the ball game's over". He said I'm going to lose all my business interests: "I'll lose the wherewithal to our fund our real estate companies. I'll take you down with me. So Partner you gotta help me." That's when I said: "Jim, you've told me you've committed a misappropriation of Saudi money - that's a felony". I said: "You can't expect me to commit a felony to cover up your felony." (because he was suggesting that I divert money from our real estate partnerships to pay his personal note. Because we had third party investors in those deals it wasn't our money to spend on our personal notes.) And that's what caused the rift between the two of us. It was my refusal to misappropriate funds.

AND TRIGGERED THE TWENTY-EIGHT DIFFERENT LAWSUITS AGAINST YOU BY HIM? Exactly. But that was the methodology to try to compel me to do this against my will. He said: "I'm going to George Bush and I and Banker Joe Bailey are going to compel you to basically steal money from your own companies and partnerships to cover up my theft of the Saudi money." And I said: "You're telling me you're going to use the Court system to compel an innocent person to commit a felony?" That's why I thought it was a bluff. I couldn't believe it. But that's what he said he was going to do. Bush would call the Judges and I'd never get my day in Court. I couldn't believe it.

NOW WHEN YOU SAY BUSH CALLED IN IOU'S FOR THE JUDGES - Right. DO YOU HAVE ANY DIRECT EVIDENCE CONDUCTED BY HIM IN ANY OF THOSE? No direct evidence.