

Suspect in a Viet Oil Swindle

Parsons, W. Va.

A former Army officer who says he is a millionaire because of a string of businesses started by his Vietnamese wife, was arrested by the FBI yesterday and charged with bilking the government out of \$1.2 million while working in the Defense Department attache office in Saigon.

Agents picked up David C. Simmons, 32, who lived in South Vietnam nine years and escaped with his wife and four children April 28 as the Viet Cong moved into Saigon. He denied the charges, which involve U.S. payment for oil products that never were delivered.

Simmons, an ex-major, was former chief of the U.S.

Petroleum, Oil and Lubricants Section in Vietnam. A criminal complaint filed by the Justice Department with a U.S. magistrate in Elkins south of here charged that Simmons illegally received the money in a scheme apparently involving about five other persons.

In Elkins, W. Va., Simmons said "the government has no basis for its allegations."

The U.S. government had obtained an earlier court order in Hong Kong freezing about \$2 million in bank accounts, apparently most of it in Simmons' name. Simmons said he was worth "more than that" because of his wife's business interests including rubber and coffee plantations, beauty, barber, tailor and jewel-

ry shops and a controlling interest in a bank.

A Justice Department official said Simmons was "one of a handful" of American officials in Saigon who had the power to authorize payments from the U.S. account in the National Bank of Vietnam.

He was head of the petroleum section until about November, 1974. The criminal complaint charged he caused about \$1.3 million to be paid to Petroleum Management Consultant Co. for oil products and then got most of the money back.

The complaint said the principal owner of the company never intended to supply the oil.

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