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A Man Who Embezzled \$4.3 Million in Vietnam

Parsons, W.Va.

David C. Simmons, a fuzzy-cheeked farmboy of 17 when he joined the Army in 1960, returned to these remote hills last May with a Vietnamese wife, four children and \$3 million.

Now, five months later, the money is gone and the former Army captain faces the prospect of a five-year federal prison sentence and a \$10,000 fine.

Simmons, a slight, balding man with a goatee, pleaded guilty of embezzlement earlier this month in U.S. District Court.

He acknowledged siphoning off \$4.3 million in a kickback scheme he executed while serving as a special petroleum purchasing agent for the South Vietnamese armed forces.

Between May and October, 1974, government officials say, Simmons used phony delivery receipts to arrange Pentagon payments of \$4.3 million for petroleum products that were never delivered.

He set up a "paper company" in Hong Kong and received about \$3 million in kickbacks from the people who received the payments, federal prosecutors say.

None of this had come to light, however, when Simmons arrived last spring with his wife, children and seven of his wife's relatives. Simmons maintained his wealth came from his wife's extensive holdings in Vietnam.

But federal agents were already working on the case and they tracked him 10,000 miles to West Virginia where he was arrested June 26. He spent the next 83 days in the Randolph county Jail at Elkins.

When released two weeks ago on \$80,000 property bond — with his parents' farm as collateral — he had acknowledged being the mastermind behind the plan to siphon off the millions of dollars and had begun restitution under a plea bargaining agreement by turning over the cash, jewels, fancy cars and condominiums he had in Hong Kong.

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