

Position Vacated By Callahan Firing

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New FBI Associate Director Named

Associated Press

FBI Director Clarence M. Kelley yesterday appointed Richard G. Held, a 35-year FBI veteran, as associate director, the second-highest position in the bureau.

Held replaced Nicholas P. Callahan, fired by Kelley last Friday in the course of an ongoing Justice Department investigation of financial improprieties and other misdeeds involving present and former bureau officials.

Held, 66, has been the special agent in charge of the

Chicago FBI office for the past three years.

Since joining the FBI in 1941, Held has served only one stint at the Washington headquarters, as a middle-level headquarters supervisor for eight years.

By choosing Held for his second-in-command, Kelley departed from the bureau tradition of selecting the highest ranking officials from among those with long years of service at headquarters.

Kelley noted that Held last year received the At-

torney General's Distinguished Service Award for outstanding performance of duties over a period of several years.

A Chicago native, Held as a special agent in FBI offices in Memphis, Cleveland and Butte, Mont., until his assignment to headquarters in 1947. After leaving the headquarters assignment in 1955, he worked in supervisory positions in San Diego, Butte, Mobile, Ala. and Minneapolis field office.

Kelley said nothing more about Callahan or the allega-

tions which prompted his dismissal after 41 years.

The New York Times reported yesterday that the Justice Department is investigating possible misuse of funds collected by the FBI recreational association. The money was supposed to benefit FBI employees.

The Times said Callahan controlled the fund for a time during the directorship of the late J. Edgar Hoover.

The department is investigating whether some of the money was used for Hoover's personal benefit, the newspaper reported.