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SEC Probe

Nixon's Brother's Mutual Fund Eyed

WASHINGTON —(AP)— The Securities and Exchange Commission is investigating a mutual fund which lists a brother of President Nixon as a director and the U.S. ambassador to The Netherlands as vice president.

"We're looking into some matters involving the fund, but it must be emphasized that this does not necessarily involve any culpability," a spokesman for the commission said.

He said the SEC makes a number of investigations "many of which die aborning and nothing ever comes of them."

The investigation involves the Oceanographic Fund, a New York mutual fund of which Nixon's brother, Edward Nixon, is listed as a director and J. William Middendorf II, currently ambassador to The Netherlands, is listed as vice president.

Middendorf

The Washington Evening Star reported in yesterday's editions the probe involves transactions between the fund and the firm that provides it with investment advice, management services and helps provide brokerage services, Middendorf, Colgate Management Co., Inc.

The newspaper said the management firm is affiliated with Middendorf, Colgate & Co., a New York brokerage firm, and said Middendorf is listed as a partner in the brokerage company.

The Star said the ambassador was a director of the Oceanographic Fund until 1969; the same year he was named to the diplomatic post by President Nixon. But Middendorf is listed by Standard and Poors as a vice president of the fund.

Also Connected

Also listed as being connected with the fund are Carl Shipley, a member of the Republican National Committee from the District of Columbia, listed as assistant secretary, and Jon Lindbergh, a director, the son of Charles A. Lindbergh.

The newspaper quoted one unidentified director as saying the transactions under investigation involve purchases and sales of securities for the fund's portfolio.

It quoted another director, Richard Fleming, a professor of oceanography at the University of Washington, as saying of the probe:

'Minor'

"It is only a minor problem, and I'm quite certain it will be cleared up very shortly."

The newspaper said Edward Nixon operates an oceanographic information clearing house in the Seattle area. It said he was appointed director and consultant to the fund in early 1970.

The younger Lindbergh, the Star said, is an official of Ocean Systems, Inc., Bainbridge, Island, Wash.

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Envoy Says He Resigned From Fund in Probe

Jerusalem

William Middendorf, United States ambassador to The Netherlands, said yesterday he resigned two years ago from the vice presidency of a mutual fund now undergoing investigation by the U.S. Securities and Exchange Commission.

The SEC said Friday it was investigating "some matters involving the fund," whose director is President Nixon's brother, Edward. The SEC says the firm still lists Middendorf as its vice president.

Middendorf said he resigned from the Oceanographic Fund when he was appointed ambassador to the Hague two years ago.

"When you enter government service you sever all your connections," he told a newsman here during a brief vacation.

Associated Press