Jury Indicts Flood John Connally

WASHINGTON (AP) — Former Treasury Secretary John B. Connally was indicted Monday and accused of taking two \$5,000 bribes from a dairy cooperative, and then committing perjury as part of a conspiracy to cover up the payments. He said he would contest the charges.

Also indicted was a former Connally associate, Jake Jacobsen, who reportedly has agreed to plead guilty to the bribery charge and to testify against Connally. Jacobsen's lawer would not comment on the indictment.

A Watergate grand jury charged Connally with two counts of accepting a bribe, two counts of perjury and one count of conspiracy to obstruct justice.

Jacobsen was charged with a single count of giving a bribe.

Connally, the fourth former member of President Nixon's Cabinet to be charged with a crime, issued a statement through his Houston law office. "I deny again that I am guilty of any wrongdoing and I am confident that I will be completely vindicated of these charges," he said.

The indictment says Jacobsen bribed Connally in return for his help in persuading Nixon to raise federal milk price supports in March, 1971. The increase was worth an estimated \$300 million to dairy farmers.

The indictment says Jacobsen, a lawyer working for the largest of the co-ops, Associated Milk Producers, Inc., paid Connally \$5,000 around May 14, 1971, and another \$5,000 around Sept. 24.