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**Jacobsen Indictment Dismissed;  
Testimony Held Technical Truth**

WASHINGTON, May 3 (AP) —A perjury indictment against Jake Jacobsen, a Texas lawyer, in a dairy cooperative contribution case was dismissed today by a Federal judge who ruled that Mr. Jacobsen had technically told the truth.

Mr. Jacobsen's lawyer, Charles McNelis, said of his courtroom victory, "We feel great. That about sums it up." But Watergate prosecutors may re-indict Mr. Jacobsen based on other statements.

Mr. Jacobsen had testified to a Watergate grand jury that \$10,000 that he offered to former Treasury Secretary Jonh B. Connally lay untouched in a Texas bank vault for 2½ years, until Mr. Jacobsen took it out last Nov. 27 in the presence of an agent of the Federal Bureau of Investigation.

A grand jury decided that Mr. Jacobsen had lied, but United States District Judge George L. Hart Jr. dismissed the indictment because it cited testimony that was literally true.

Mr. Jacobsen had been asked whether the \$10,000 lay untouched in a Texas bank vault for 2½ years, but the question was prefaced with the words, "and it is your testimony...?"

#### Prosecutor Protests

Mr. Jacobsen answered, "That is correct."

"Jacobson in this case gave a literally true answer to your question," Judge Hart told Mr. Glazer. "You didn't ask him if it is true. You only asked, 'is it your testimony?' . . . You didn't ask him if it is true or false," Judge Hart said.

Mr. Glazer protested, that "You don't have to ask him if his testimony is true or false when he's before a grand jury . . ."

Legal observers said that a new indictment would be drawn up, citing other testimony by



Associated Press

Jake Jacobsen

Mr. Jacobsen before the grand jury.

Mr. Jacobsen's lawyer, Charles McNelis, has asserted that Mr. Jacobsen did testify that he left the \$10,000 in the bank vault for 2½ years, until he took it out last Nov. 27 in the presence of an agent of the Federal Bureau of Investigation.

Informed sources have reported that serial numbers on the bills indicate they could not have been in circulation at the time Mr. Jacobsen says he put the money in the box.

Mr. Jacobsen reportedly has offered to change his testimony if prosecutors will reduce charges in this case and in a Texas savings and loan scandal to misdemeanors.

He is reportedly offering to swear that Mr. Connally took the money and later returned it.

Mr. Connally has denied consistently that he received the money.

At last report, prosecutors had not responded to Jacobsen's alleged plea bargaining offer.