

Text of Jury's Indictment of

Following is the text of the incident against former Treasury Secretary John B. Connally and Jake Jacobsen.

Count One

The Grand Jury charges:

1. From on or about May 14, 1971, to September 24, 1971, in the District of Columbia, Jake Jacobsen, the defendant, unlawfully and knowingly did directly give a thing of value, to wit, a total of \$10,000.00 in cash, otherwise than as provided by law for the proper discharge of official duties, to John B. Connally, then Secretary of the Treasury of the United States, a public official, for and because of official acts performed by him, to wit, his recommendations in his official capacity concerning an increase in the federal milk price support level to be fixed by the Secretary of Agriculture, announced on March 25, 1971.

(Title 18, United States Code, Section 201(f).)

Count Two

The Grand Jury further charges:

1. On or about May 14, 1971, in the District of Columbia, John B. Connally, the defendant, being a public official, namely Secretary of the Treasury of the United States, unlawfully and knowingly did directly receive, otherwise than as provided for by law for the proper discharge of official duties, a thing of value, to wit, \$5,000 in cash for and because of official acts performed by him, to wit, his recommendations in his official capacity concerning an increase in the federal milk price support level to be fixed by the Secretary of Agriculture, announced on March 25, 1971.

(Title 18, United States Code, Section 201(g).)

Count Three

The Grand Jury further charges:

1. On or about September 24, 1971, in the District of Columbia, John B. Connally, the defendant, being a public official, namely Secretary of the Treasury of the United States, unlawfully and knowingly did directly receive, otherwise than as provided for by law for the proper discharge of official duties, a thing of value, to wit, \$5,000 in cash for and because of official acts performed by him, to wit, his recommendations in his official capacity concerning an increase in the federal milk price support level to be fixed by the Secretary of Agriculture, announced on March 25, 1971.

(Title 18, United States Code, Section 201(g).)

Count Four

The Grand Jury further charges:

1. From on or about Octo-

ber 24, 1973, up to on or about February 21, 1974, in the District of Columbia and elsewhere, John B. Connally, the defendant and Jake Jacobsen, named as a co-conspirator but not a defendant herein, unlawfully, willfully and knowingly did combine, conspire, confederate and agree together and with each other to commit offenses against the United States, to wit: corruptly to influence, obstruct and impede and to endeavor to influence, obstruct and impede the due administration of justice in violation of Title 18, United States Code, Section 1503; corruptly to influence, obstruct and impede and to endeavor to influence, obstruct and impede the due and proper power of an inquiry and investigation by a Committee of the United States Senate in violation of Title 18, United States Code, Section 1505; to make false material declarations under oath in a proceeding before and ancillary to a grand jury of the United States in violation of Title 18, United States Code, Section 1623; and to testify willfully, after having taken an oath before a competent tribunal in a case in which a law of the United States authorizes an oath to be administered, to material matters that they did not believe to be true, in violation of Title 18, United States Code, Section 1621.

2. It was part of said conspiracy that John B. Connally, the defendant, and Jake Jacobsen would corruptly influence, obstruct and impede and endeavor to influence, obstruct and impede the due administration of justice and the due and proper powers of Congressional inquiry.

3. It was further part of said conspiracy that John B. Connally, the defendant, and Jake Jacobsen would knowingly make false material declarations under oath in proceedings before and ancillary to an investigation being conducted by the August 13, 1973, Grand Jury empaneled in and for the United States District Court for the District of Columbia, (hereafter "the Grand Jury").

4. It was further a part of said conspiracy that John B. Connally, the defendant, and Jake Jacobsen would, under oath, testify falsely as to material matters before

the Select Committee on Presidential Campaign Activities created pursuant to Senate Resolution 60 adopted by the United States Senate on February 7, 1973 (hereafter "Select Committee"), a competent tribunal in which a law of the United States authorized an oath to be administered.

5. The following were fur-

ther a part of said conspiracy and the means by which John B. Connally, the defendant, and Jake Jacobsen would carry out said conspiracy:

a. Although \$10,000.00 which Jake Jacobsen received from Associated Milk Producers, Inc. to give to John B. Connally, the defendant, in fact was given to John B. Connally, the defendant, while he was Secretary of the Treasury, John B. Connally, the defendant, and Jake Jacobsen would each testify falsely before the Grand Jury and the Select Committee that Jake Jacobsen offered the \$10,000.00 to John B. Connally, the defendant, twice, first for the purpose of enabling him to give it to candidates for public office and second as a contribution to "Democrats for Nixon" and that John B. Connally, the defendant, declined the offer on each occasion.

b. John B. Connally, the defendant, and Jake Jacobsen would each testify falsely before the Grand Jury and the Select Committee that the reason given for declining the first of the two offers referred to in subparagraph 5(a) was that John B. Connally, the defendant, was then a Democrat in a Republican administration and did not want to appear to favor the candidacy of persons from either the Democratic or Republican party.

c. John B. Connally, the defendant, and Jake Jacobsen would each testify falsely before the Grand Jury and the Select Committee that the reason given for declining the second of the two offers referred to in subparagraph 5(a) was that in light of several of the problems Associated Milk Producers, Inc., had at that time, it would be prudent to decline the offer.

d. Jake Jacobsen would testify falsely before the Grand Jury and the Select Committee that he kept the \$10,000.00 referred to in subparagraph 5(a) in a safe deposit box from on or about the time he received it to the time of his appearance before the Grand Jury and the Select Committee.

e. John B. Connally, the defendant, would obtain \$10,000.00 in cash to give to Jake Jacobsen so that he could make it available for inspection if called upon.

f. Jake Jacobsen would make available for inventory by investigative bodies \$10,000.00 in cash received from John B. Connally, the defendant, pursuant to this conspiracy as described in

subparagraph 5 (e).

Overt Acts

In furtherance of the conspiracy and to effect the objects thereof, the following overt acts, among others, were committed in the District of Columbia and elsewhere:

1. On or about October 24, 1973, John B. Connally, the defendant, and Jake Jacobsen had a telephone conversation between Austin, Texas and Houston, Texas.

2. On or about October 26, 1973, John B. Connally, the defendant, and Jake Jacobsen met in Austin, Texas.

3. On or about October 28, 1973, John B. Connally, the defendant, and Jake Jacobsen had a telephone conversation between Austin, Texas and Houston, Texas.

4. On or about October 29, 1973, John B. Connally, the defendant, gave Jake Jacobsen \$10,000.00 in cash in Houston, Texas.

5. On November 2, 1973, Jake Jacobsen testified before the Grand Jury in Washington, D.C.

6. On or about November 12, 1973, John B. Connally, the defendant, and Jake Jacobsen had a telephone conversation between Austin, Texas and Houston, Texas.

7. On November 14, 1973, John B. Connally, the defendant, testified before the Grand Jury in Washington, D.C.

8. On November 15, 1973, John B. Connally, the defendant, testified before the Select Committee in Washington, D.C.

9. On or about November 25, 1973, John B. Connally, the defendant, gave Jake Jacobsen \$10,000.00 in cash in Austin, Texas.

10. On or about November 26, 1973, Jake Jacobsen went to the Citizens' National Bank in Austin, Texas.

11. On December 14, 1973, Jake Jacobsen testified before the Select Committee in Washington, D.C.

12. On January 25, 1974, Jake Jacobsen testified before the Grand Jury in Washington, D.C.

(Title 18, United States Code, Section 371.)

Count Five

The Grand Jury further charges:

1. On or about November 14, 1973, in the District of Columbia, John B. Connally, the defendant, having taken an oath that he would testify truthfully, and while testifying before August 13, 1973 Grand Jury, a Grand Jury of the United States, duly empaneled and sworn in the United States District Court for the District of Columbia, did knowingly make false material declarations as hereinafter set forth.

2. At the time and place alleged, the August 13, 1973 Grand Jury of the United States District Court for the District of Columbia was conducting an investigation into possible violations of Title 18, United States Code, Sections 201, 371, 1503, 1505, 1621, 1623 and other federal

laws in connection with the Secretary of Agriculture's milk price support decision of March 25, 1971 and the connection, if any, between that decision and funds pledged and paid by dairy interest to public officials or political organizations. Said Grand Jury had heard testimony by Jake Jacobsen that he had twice offered to give to John B. Connally, the defendant, \$10,000.00 he had received from Associated Milk Producers, Inc., and that on each occasion John B. Connally, the defendant, had declined the offer. Said Grand Jury had heard similar testimony by John B. Connally, the defendant.

3. It was material to said investigation that the Grand Jury ascertain when John B.

Connally, the defendant, last discussed the \$10,000.00 with Jake Jacobsen, and the number of conversations he had had with Jake Jacobsen in the four weeks preceding his November 14, 1973 testimony.

4. At the time and place alleged in paragraph 1, John B. Connally, the defendant, appearing as a witness under oath at a proceeding before the Grand Jury, did knowingly make the following declarations in response to the following questions related to the material matter alleged in paragraph 3:

Q. Did you express any surprise or did you think it odd when he offered to make available to you this \$10,000.00 cash political contributions in the spring or summer of 1971?

A. No, not odd, because the posture in which he put it—Jake and I have been good friends for a number of years, and he obviously would not do anything—he didn't offer it to me; he said "the money is available for a committee or candidate of your designation, if you will make one."

And I said, "Well, I don't want to do that."

And I have already explained that to you, but it wasn't odd at all, simply because he was as familiar with the fact that, as I was, that I was here and he was trying in some way to befriend the people that I felt should be befriended.

And I just simply said, "I don't want to participate."

Q. When have you last discussed this matter with Mr. Jacobsen?

A. Oh, gosh, a long time ago.

I don't recall.

Q. Have you discussed it with him recently, within the last three or four weeks?

A. No.

Q. Have you had any conversations with him in the last three or four weeks?

A. No, I have been gone for a little over two weeks now, and I had one conversation with him about two and a half weeks ago, I guess, or three weeks ago, in which I asked him to check into a bank application for

me, but that is the only contact I have had with him.

Q. Where was that conversation?

A. In Houston.

Q. In person?

A. Yes.

Q. What was the occasion of his visit to Houston?

A. Well, I am not sure I know precisely, but part of it was for this purpose.

Q. Would you give us a little more of the surrounding circumstances?

A. Well, only that one of the people that we normally represent in my law firm had filed an application for a bank charter in an area where they owned a lot of real estate. It was a national bank charter.

Frankly, in the firm, we don't handle bank charters and yet, they wanted us to look after it, and I didn't want to look after it.

I didn't want to participate in it, so I asked him if he would do so, and that is the last conversation I have had with him.

Q. Do you know if that was prior to or following his appearance before this Grand Jury?

A. No, I don't know. I don't know when he appeared.

Q. Were you aware he has appeared before this Grand Jury?

A. I understand now he has but I have not talked to him since then.

Q. Did you discuss this \$10,000.00 cash sum with him during that conversation?

A. No, I don't recall that we did.

Q. I suggest that given the somewhat peculiar nature of this transaction, that is \$10,000.00 cash, that Mr. Jacobsen received from the dairy interests, that his making it available to you, that it is a subject matter which I would think you would recall had you discussed it with him that recently?

A. Well, I think that is probably right.

We have discussed this whole dairy thing, but I don't recall we did it on that occasion and in our discussions, we have simply treated it just like we treat anything else, we are both going to tell the truth about it, and that is all there is to it.

Q. When was the last occasion on which you did discuss, as you describe it, this whole dairy thing with Mr. Jacobsen?

A. We really haven't—I am just trying to think if there was any definitive discussion of it.

I don't recall having any major discussions with him since last fall.

5. The . . . underscored (italicized) declarations quoted in paragraph 4, made by JOHN B. CONNALLY, the defendant, were material to the investigation and, as he then and there well

knew, were false.

(Title 18, United States Code, Section 1623.)

Count Six

The Grand Jury further charges:

1. On or about April 11, 1974, in the District of Columbia, JOHN B. CONNALLY, the defendant, having taken an oath that he would testify truthfully, and while testifying before the August 13, 1973 Grand Jury, a Grand Jury of the United States duly empaneled and sworn in the United States District Court for the District of Columbia, did knowingly make false material declarations as hereinafter set forth.

2. At the time and place alleged, the August 13, 1973 Grand Jury of the United States District Court for the District of Columbia was conducting an investigation into possible violations of Title 18, United States Code, Sections 201, 371, 1503, 1505, 1621, 1623 and other federal laws in connection with the Secretary of Agriculture's milk price support decision announced on March 25, 1971, and the connection, if any, between that decision and funds pledged and paid by dairy interests to public officials or political organizations. Said Grand Jury had heard testimony by Jack Jacobsen on November 2, 1973, that he had twice offered to give to JOHN B. CONNALLY, the defendant, \$10,000 he had received from Associated Milk Producers, Inc. and that on each occasion JOHN B. CONNALLY, the defendant, had declined the offer. Said Grand Jury had heard similar testimony by JOHN B. CONNALLY, the defendant, on November 14, 1973. Said Grand Jury had also heard testimony by JOHN B. CONNALLY, the defendant, on November 14, 1973, that he had had a meeting with Jake Jacobsen in Houston, on or about October 29, 1973, and that that meeting was the only contact he had had with Jake Jacobsen in the three to four weeks before November 14, 1973.

3. It was material to said investigation that the Grand Jury ascertain the number and nature of the contacts between JOHN B. CONNALLY, the defendant, and Jake Jacobsen prior to November 14, 1973, and the reason for such contacts.

4. At the time and place alleged in paragraph 1, JOHN B. CONNALLY, the defendant, appearing as a witness under oath at a proceeding before the Grand Jury, after stating that he telephoned Jake Jacobsen the day before the meeting described in paragraph 2, did knowingly make the following declarations in response to the following questions related to the material matter alleged in paragraph 3:

Q. Would you tell us the

conversation between Mr. Jacobsen and yourself on Sunday, October 28 the telephone call?

A. I called him and told him that I had a matter of considerable significance to him and I may have told him briefly what it was over the phone, and I told him I would very much like to talk with him, that I was leaving the country, that I

didn't know what the time element was, and I think perhaps I did tell him that it involved a bank charter, but that I would very much like for him to come down Monday morning, if he possibly could. He said, "Well, I don't know whether I can get a plane."

I said, "Well, get one of Ragsdale's planes and come on down, because I really don't want to leave the country without getting something underway on this thing."

I think that was about all of the conversation on that.

Q. Did he tell you whether or not he had been subpoenaed to appear before this Grand Jury in that telephone call?

A. No, he did not, then. He had already told me that.

Q. When did he tell you that?

A. He told me that on Friday.

Q. Where was that?

A. In Austin.

Q. You had contact with Mr. Jacobsen on Friday in Austin?

A. Friday in Austin, that is correct.

Q. Would you tell us about that, please?

A. I had been—I had gone to Austin to engage in a lot of different activities on Friday, March 26, I guess—on October 26th.

Among other things we had a luncheon for the distinguished alumni of the University of Texas. I had a TV taping, I had a meeting, a rehearsal out at the auditorium for the affair that evening. It was an extremely busy day and also I was in the process of selling my airplane

at the same time, and I got back to the hotel, I guess, about 4:45 or maybe 5:00 o'clock—in that range—and had a message to call Mr. Jacobsen, so I called him and he said he needed to talk to me and I said, "Fine, come on down." I said, "I am in a hell of a hurry," but I said, "we have to be dressed and out of the University in a tux by 6:00 o'clock, but come on down."

So he did. I suppose he got there at 5:20 or something like that. That is when he told me he had been subpoenaed.

5. The underscored [italized] declarations quoted in paragraph 4, made by John B. Connally, the defendant, were material to the investigation and, as he then and there well knew, were false.

(Title 18, United States Code, Section 1623).

Connally and Jacobsen