

PATRICK A. GLEASON  
CHAIRMAN



OFFICE OF SPECIAL COUNSEL

HOUSE OF REPRESENTATIVES

COMMONWEALTH OF PENNSYLVANIA

HARRISBURG

SELECT COMMITTEE ON STATE CONTRACT PRACTICES

September 25, 1974

Mr. Jere A. Young  
Industrial Valley Bank & Trust Company  
IVB Building  
Philadelphia, Pennsylvania 19103

Dear Mr. Young:

The Committee has decided that it will require any information you are able to supply concerning loans made to Jack I. Greenblat or to the Lehigh County Citizens for Shapp/Kline on or about September 3, 1970, and any transactions between your bank and Greenblat or said Committee on October 6, 1970 or thereafter.

We would be most appreciative if this information would be in the hands of the Committee by Tuesday, October 1, 1974 at 11:00 o'clock a.m.

Thank you for your kind attention to this request.

Very truly yours,

A handwritten signature in cursive script that reads "Patrick A. Gleason".

Patrick A. Gleason  
Chairman

PAG:nlr



# CONTINENTAL BANK

NORRISTOWN, PENNSYLVANIA  
MID-CITY OFFICE  
1431 Chestnut Street  
Philadelphia, Pennsylvania 19102

June 24, 1974

Office of Special Counsel  
Select Committee on State Contract Practices  
House of Representatives  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania

Gentlemen:

In accordance with your subpoena of June 18, 1974, I am enclosing herewith material relating to the items listed as (a) and (b).

In relation to (a), I am enclosing copies of material pursuant to this Bank's status as a state depository for the period April, 1973 to April, 1974 inclusive. Pursuant to my telephone conversation with Mr. Frederick L. Voigt, Special Counsel, this date, we are in the process of compiling the information for the period, 1966 to April, 1973, and will forward same to your office as soon as same is compiled.

In relation to (b), I am enclosing herewith a copy of a memorandum from Theodore Kling, Jr., Executive Vice President to Arthur B. Konow, Esquire, Vice President, dated April 30, 1974 in which Mr. Kling sets forth Continental Bank's activities as Loan and Transfer Agent for certain Commonwealth of Pennsylvania General Obligation Bonds. You will note that the only business the Corporate Trust Department has had with the Commonwealth of Pennsylvania in this area is as set forth in that memorandum.

With relation to (c), in response to the request for material relating to loans made by this institution to political committees, the following is a brief synopsis of such loans made by this Bank:

1. Loan to the Shapp-Kline Committee, Amount - \$550,000.00  
Date-April 2, 1974, Due date-June 3, 1974, Balance due as of June 20, 1974 - \$550,000.00 plus interest.
2. Loan to Shapp for Governor Committee - Amount - \$75,000.00,  
Date-April 2, 1974, Due date-June 3, 1974, Balance due as of June 20, 1974 - \$75,000.00 plus interest.

Office of Special Counsel

June 24, 1974

Page 2

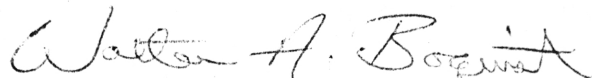
Both of the above loans are fully secured.

We trust the above information along with the enclosed material are to your satisfaction. As we discussed in our telephone conversation of this date, due to a misunderstanding, we do not have the material requested for the period 1966 to April, 1973. Said information will be forwarded as soon as possible.

We apologize for any difficulty which may have arisen as regards the request for this material, but Arthur B. Konow, Esquire, Vice President, to whom the subpoena was directed, has been on vacation since Monday, June 17, 1974 and will not return until Monday, July 1, 1974. Mr. Konow had been compiling the information required pending receipt of the subpoena; and in his absence, I have attempted to comply with the subpoena as fully as possible under the circumstances.

We thank you for your understanding in this matter, and wish to assure you that we will comply with any further requests you may have for further information and will be happy to assist you wherever possible.

Very truly yours,



Walter A. Boquist, Esquire  
Legal Department

/bd  
enclosures

PATRICK A. GLEASON  
CHAIRMAN



OFFICE OF SPECIAL COUNSEL

HOUSE OF REPRESENTATIVES  
COMMONWEALTH OF PENNSYLVANIA  
HARRISBURG  
SELECT COMMITTEE ON STATE CONTRACT PRACTICES

August 16, 1974

Mr. Jere A. Young  
Senior Vice President, General Corporate  
Counsel and Secretary  
Industrial Valley Bank and Trust Company  
IVB Building  
Philadelphia, Pennsylvania 19103

Dear Mr. Young:

The Committee is in receipt of your letter of August 8, 1974.

While enumerating the difficulties which the Industrial Valley Bank might have, in your opinion, in complying with requests made in the third paragraph of our letter to you of July 29, 1974, your letter of August 8 does not in any way respond to the request for information contained in the second paragraph of our letter of July 29.

Accordingly we would appreciate:

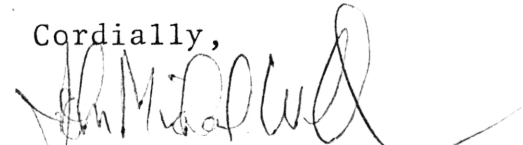
1. The response to our request for the names of the responsible bank officers who have acted in positions of authority in approving the loan, for which you have already forwarded background papers under cover letter dated June 11, 1974.
2. Information concerning loans made to Milton Shapp, or any political committee operating on his behalf or with his authorization at any time, from January 1, 1966 to the present. (If, in addition, you are able and willing to provide information concerning other candidates who might have been in receipt of loans during this same time period from your bank, we would be most appreciative.)

Mr. Jere A. Young  
Page 2  
August 16, 1974

We will be grateful if your response to this inquiry could be in our hands by August 22, 1974 at 11:00 a.m.

Thank you for your kind attention to this matter.

Cordially,



John Michael Willmann  
Special Counsel



Stephen F. Freind  
Special Counsel

JMW:SFF1a1

IVB

Jere A. Young  
Senior Vice President and General Corporate Counsel

August 28, 1974

John Michael Willmann, Esq.  
Special Counsel

Stephen Freind, Esq.  
Special Counsel

Select Committee on State Contract Practices  
House of Representatives Post Office  
Capitol  
Harrisburg, Pennsylvania 17120

Dear Messrs. Willmann and Freind:

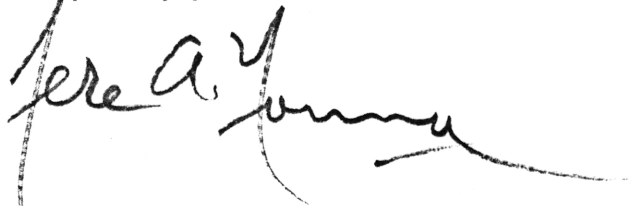
In response to your letter of August 16, please be advised that:

1. The responsible officers of Industrial Valley Bank and Trust Company who acted in positions of authority in approving the loan which was described to you in our letter of June 11 were: William C. Pica, Vice President, and Joseph A. Gallagher, President (as indicated on the Loan Application we supplied to you with our June 11 letter), after consulting with Richard M. Stover, Senior Vice President and John J. Fawley, Executive Vice President.

2. After a reasonable search of our records, we are unable to discover any loans made by Industrial Valley Bank and Trust Company to Milton Shapp at anytime from January 1, 1966 to the present. In addition, we did not discover any loans made to any political committees in which Mr. Shapp's name was the first word in the committee's title, the only basis on which we are able to search our records.

We are pleased to be able to continue our cooperation with your committee.

Very truly yours,



JAY/tmt



October 1, 1974

John Michael Willmann, Esq.  
House of Representatives  
Select Committee on State Contract Policies  
Harrisburg, Pennsylvania

Dear Mr. Willmann:

In accordance with the subpoena served on The Fidelity Bank at 3:10 P. M., September 30, 1974, we have commenced a search of our files. There is enclosed herewith resolutions and signature authority for the following accounts - Shapp for Governor Committee #00 99 55 6, and Shapp for Governor Committee, Pennsylvanians for Progress #43 04 32 5.

For the first of the two mentioned accounts there are enclosed, in addition to the signature authority and resolution, copies of the statements beginning with 3/4/70 through 12/31/70. For the second account, statements begin with 12/31/70 and run through 7/30/71, with the exception that there is no statement for the month of 1/71. We were unable to locate the film to produce the 1/71 statement and have not yet located the film to carry each account to closing, although we are working on it.

With respect to cancelled checks, we do not have copies of any cancelled checks for either of these accounts. They will have to be obtained from the depositor organization.

With respect to deposit slips, as I mentioned to Mr. Freind, locating and copying these deposit slips is a very time-consuming process. It would be helpful, therefore, if you would indicate to us in which deposits you are interested and we will then commence the search.

This material is being delivered by messenger.

Sincerely,

FREDERICK C. N. LITTLETON

BROAD & WALNUT STREETS  
PHILADELPHIA, PENNA. 19109  
TELEPHONE 215 985-6000

LEGAL DEPARTMENT

FREDERICK C. N. LITTLETON  
Secretary  
TELEPHONE 985-8186

JAMES R. SMITH  
Vice President  
TELEPHONE 985-8188

SUSAN L. ANDERSON  
Assistant Secretary  
TELEPHONE 985-8922

GRETCHEN MENSCH  
Affirmative Action Officer  
TELEPHONE 985-8776

John Michael Willmann, Esq.  
October 2, 1974

P.S. Since writing this letter our Bookkeeping Department has produced additional copies of statements, so that each account is now complete.

*Frederick W. Smith*

FCNL/kbp

Enc.