

Senator TYDINGS. How long has Allstate been in business?

Mr. MORGAN. Allstate has been in business about 3 years.

Senator TYDINGS. Did you organize it?

Mr. MORGAN. Yes; I did.

Senator TYDINGS. Do you have any other partners in it?

Mr. MORGAN. No; I do not.

Senator TYDINGS. You are the sole owner?

Mr. MORGAN. Yes.

Senator TYDINGS. And how long have you been in the business of purchasing home improvement receivables?

Mr. MORGAN. Well, in varying degrees, for the last 10 years, since 1957, or even before that; I guess back in 1955.

Senator TYDINGS. Are you a resident of the District?

Mr. MORGAN. No; I live in Maryland, suburban Maryland, but I have lived in the area since 1947.

Senator TYDINGS. Now, have you ever been associated with the Atlas Financial Corp.?

Mr. MORGAN. Yes; I have sold that business for the past 10 years, and as a matter of fact, I worked for them for one short period of about 6 months, working for them directly.

Senator TYDINGS. And when you say you sold them business and you have been selling them business for the last 10 years, what do you mean?

Mr. MORGAN. Papers that I purchased in the area and resold to them.

Senator TYDINGS. To Atlas?

Mr. MORGAN. Yes.

Senator TYDINGS. And what was your first contact with the Atlas Financial Corp.? When was it and what was it?

Mr. MORGAN. It was, as I recall, I think in 1957, and we were financing, or I was buying home improvement papers and debt consolidation papers, and at that time I heard of Atlas and went to Philadelphia to see them and started to sell them papers then.

Senator TYDINGS. Up to that time, who had you been selling your papers to?

Mr. MORGAN. Oh, prior to that time I had been in the home improvement business myself.

Senator TYDINGS. Actually a subcontractor?

Mr. MORGAN. No, actually a general contractor.

Senator TYDINGS. General contractor?

Mr. MORGAN. With some men on the payroll and subcontracting some work, and if I sold any home improvement papers, then I sold it to local sources, lawyers, doctors, individuals in the city.

Senator TYDINGS. How long have you been in this type of business?

Mr. MORGAN. Since 1948, I would say.

Senator TYDINGS. Since the war?

Mr. MORGAN. Yes, sir.

Senator TYDINGS. And then in 1955 or 1956 you moved into the brokerage area of actually buying the papers?

Mr. MORGAN. Yes.

Senator TYDINGS. Now, who was the first person that you talked with at the Atlas Financial Corp.?