

ALABAMA SECURITIES COMMISSION

Post Office Box 304700

Montgomery, Alabama 36130-4700

Telephone: (334) 242-2984 or 1-800-222-1253 Fax: (334) 242-0240

Email: asc@asc.alabama.gov Website: www.asc.alabama.gov

Restitution Ordered for Tuscaloosa County Man Convicted for Securities Fraud

MONTGOMERY, ALABAMA (July 5, 2011) Thomas M. Smith, District Attorney for the 6th Judicial Circuit, Tuscaloosa County, Alabama; and, Joseph Borg, Director of the Alabama Securities Commission (ASC), announced today that Gene Thomas “Tommy” LeGrone, Jr., a Northport, Alabama resident, has been ordered to pay \$37,915 in restitution to two Alabama victims as a result of his March 2010 conviction for securities fraud.

Tuscaloosa County Circuit Court Judge John H. England, Jr. ordered the defendant to make full restitution to the victims in this case and ordered him back to jail to serve the remainder of his sentence that the Court imposed at the original sentencing hearing. On Mar. 1, 2010, LeGrone pled guilty to one count each of Securities Fraud, specifically the Omission of Material Facts in Connection with the Offering and Sale of Securities; and, Theft of Property by Deception, 1st Degree. Upon acceptance of his plea, the Court sentenced LeGrone to 20 years imprisonment, split to serve three years. LeGrone had been in custody for other non securities-related violations at the time of his plea.

An investigation into LeGrone’s business activities by ASC Enforcement Division personnel resulted in an indictment being handed down by the March 2009 session of the Tuscaloosa County Grand Jury. The indictment alleged that LeGrone, as owner and operator of Bama Remodeling and Repair, LLC, of Northport, illegally entered into an investment contract with the Alabama victims without being registered to offer and/or sell such investments by the ASC, as required by the Alabama Securities Act. Further, LeGrone allegedly suggested to the victims that their money would be invested by him for home renovation projects and a promissory note was issued to the victims in July 2006 with a promised return of “interest and profit.” In addition to not being registered to offer and sell securities in Alabama, the ASC investigation revealed that LeGrone made untrue statements, omitting material facts to investors regarding the investment opportunity and used investors’ money for unrelated expenses.

In addition to the District Attorney’s office, the ASC would like to thank the Tuscaloosa County Sheriff’s Department, the Tuscaloosa Police Department and the Northport Police Department for their assistance in the investigation of this case.

The ASC cautions potential investors to thoroughly scrutinize and research any investment opportunity or offer. Contact the ASC with inquiries concerning securities broker-dealers, agents, investment advisers, investment adviser representatives, financial planners, registration status of securities or debt management programs, to report suspected fraud or to obtain consumer information. The ASC provides free investor education and fraud prevention materials in print, on our website and through educational presentations upon request.

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For further information contact Dan Lord, ASC Education and Public Affairs Manager, 334-353-4858.

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