

NEWS RELEASE

Luther Strange

Alabama Attorney General



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AG ANNOUNCES REFUNDS FOR STORM SHELTER CONSUMERS

(MONTGOMERY) – Attorney General Luther Strange announced today that approximately 250 Alabama consumers will receive refunds of about \$300 from a case involving a North Alabama storm shelter company. The Madison County Circuit Court yesterday approved these payments of partial refunds for customers of Tornado Masters of Alabama.

“I am pleased this case has concluded with significant refunds due to be returned to Alabamians who were deceived and endangered by the practices of this company,” said Attorney General Strange.

The case arose in March 2012 when the Attorney General sued Tornado Masters and its two owners, Les and Grady Holt, for selling defective, dangerous, and inadequate tornado shelters, which the company had falsely represented met government safety standards. In response to the Attorney General’s complaint, Circuit Judge Dennis O’Dell permanently shut down the company; ordered that the Holts never again be involved in the tornado-shelter business in Alabama; appointed Huntsville attorney Bill Gibbons as a receiver to collect and liquidate the business’s assets; and ordered the defendants to pay the maximum fines allowed under the law.

The court’s action yesterday brings the case to a close and orders that the receiver immediately issue partial refunds to eligible customers. The money for these refunds was collected through the diligent efforts of the Attorney General and Gibbons, the receiver, who collaborated in freezing the company’s bank accounts; selling the company’s assets, including cars, trucks, and tools; and recording and considering the claims of hundreds of victims. The total amount to be distributed to the claimants is approximately \$80,000. On average, claimants can expect about \$300 each, with some receiving as much as \$1,000 and a North Alabama daycare receiving \$3,019. In order to preserve the greatest amount possible for consumer refunds, the Attorney General’s Office waived its legal right to collect approximately \$100,000 in statutory penalties, attorneys’ fees, and related costs.

The Attorney General thanked Bill Gibbons for his professional approach and quick work on the receivership case. He also thanked the Madison County District Attorney’s Office, the North Alabama Better Business Bureau, and commended Assistant Attorneys General Noel Barnes, Kyle Beckman, and Matt Bledsoe.

