

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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IN THE MATTER OF: JAMES CRIGLER and FLO CRIGLER  
AND AMERICAN PALLET LEASING, INC.  
and their partners, officers and directors, agents, employees,  
affiliates, successors and assigns.

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) Case No. 0800489  
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**TEMPORARY ORDER OF PROHIBITION**

**TO RESPONDENTS:**

**James Crigler  
9263 Dimmick Drive  
Sanibel, Florida 33957**

**And**

**Flo Crigler  
9263 Dimmick Drive  
Sanibel, Florida 33957**

**And**

**American Pallet Leasing, Inc.  
950 North Milwaukee Avenue  
Suite 328  
Glenview, Illinois 60025**

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

1. Respondent James Crigler (hereinafter at times "JC" or together with Flo Crigler and American Pallet Leasing, Inc. "Respondents") has a last known address of 9263 Dimmick Drive, Sanibel, Florida, 33957.
2. Respondent Flo Crigler (hereinafter at times "FC" or together with James Crigler and American Pallet Leasing, Inc. "Respondents") has a last known address of 9263 Dimmick Drive, Sanibel, Florida, 33957.
3. Respondent American Pallet Leasing, Inc., Inc. (hereinafter at times "AP" or together with JC and FC "Respondents") was, at all relevant herein a Delaware

Temporary Order of Prohibition

-2-

corporation with a last known address of 950 North Milwaukee Avenue, Suite 328, Glenview, Illinois 60025.

4. At all times relevant Respondent JC was the Chief Executive Officer, and Respondent FC was an Officer of AP.
5. Between April 2004 and October 2005 Respondents solicited at least nine individuals ("Investors") to loan money to Respondents through promissory notes ("Notes") totaling approximately \$355,000.00.
6. The Respondents promised that the Notes were "merely bridge loans" to assist Respondent AP until their new type of pallet was developed and patented.
7. The Respondents promised that the Notes would pay 8% annual interest and were "redeemable in 12 months."
8. Between April 2004 and October 5, 2005 the Investors transferred the \$363,000.00 to the Respondents, and in exchange each received a document entitled "**PROMISSORY NOTE**".
9. The Notes provided, *inter alia*, that the principal was due approximately one year from the dates of issuance, and that JC would issue AP stock to Investors AP in quantities depending on the amount invested.

**FAILURE TO REGISTER SECURITIES**

10. Respondents never registered the Notes with the Illinois Securities Department.
6. The activities in paragraphs 4, 5, 6 and 7, 8 and 9 constitute the offer and sale of promissory notes and are therefore a security as those terms are defined in Section 2.1, 2.5 and 2.5a of the Illinois Securities Act of 1953 [815 ILCS 5] (the "Act").
7. Section 5 of the Act provides, *inter alia*, that "all securities except those set forth under Section 2a of this Act...or those exempt...shall be registered ...prior to their offer or sale in this State."
8. Respondents failed to file an application with the Secretary of State to register the stock as required by the Act, and as a result the Notes were not registered as such prior to their offer or sale in the State of Illinois.
9. Section 12.A of the Act provides, *inter alia*, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
10. Section 12.D of the Act provides, *inter alia*, that it shall be a violation for any person "to fail to file with the Secretary of State any application, report or

Temporary Order of Prohibition

-3-

document, required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.”

11. By virtue of the foregoing Respondents violated Sections 12.A and 12.D of the Act.
12. The aforementioned findings are based upon credible evidence.
13. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the rendering of investment advice or the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
14. The entry of this Temporary Order of Prohibition prohibiting Respondents' and their partners, officers and directors, agents, employees, affiliates, successors and assigns, from rendering investment advice or from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **James Crigler, Flo Crigler and American Pallet Leasing, Inc.** and their partners, officers and directors, agents, employees, affiliates, successors and assigns, are temporarily **PROHIBITED** from offering or selling securities in or from this State until the further Order of the Secretary of State.

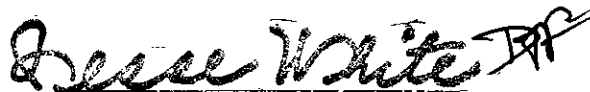
NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order of Prohibition and will extend the effectiveness of this Temporary Order of Prohibition for sixty (60) days from the date the hearing request is received by the Department.

Temporary Order of Prohibition

-4-

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This 17<sup>th</sup> day of September 2010.

A handwritten signature in black ink that reads "Jesse White" followed by a stylized set of initials "JAW".

JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:  
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