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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
whether there has been a violation
of the Securities Act of Washington by:

MALIBU DEVELOPMENT
CORPORATION; THE MERIDIAN ON
BAINBRIDGE ISLAND, LLC; CMHCEH,
LLC.; JOHN M. ERICKSON; BRUCE
MCCURDY; CHRISTOPHER M. HEINS;
MICHAEL B. REETZ,

Respondents.

Order Number S-06-065-07-CO02

CONSENT ORDER AS TO MICHAEL B.
REETZ

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INTRODUCTION

On June 8, 2007, the Securities Administrator of the State of Washington issued Summary Order to Cease and Desist and Notice of Intent to Impose Fines and Charge Costs, S-06-065-07-TO01, hereinafter referred to as "Summary Order," against Respondents Malibu Development Corporation; The Meridian on Bainbridge Island, LLC; CMHCEH, LLC; John M. Erickson; Bruce McCurdy; Christopher M. Heins; and Michael B. Reetz. The Securities Division and Respondent Michael B. Reetz do hereby enter into this Consent Order in settlement of the above-captioned matter. The Securities Division made certain allegations and conclusions in the Summary Order, set forth under the headings "Tentative Findings of Fact" and "Conclusions of Law." Respondent Michael B. Reetz neither admits nor denies the Findings of Fact and Conclusions of Law, which are hereby incorporated by reference into this Consent Order.

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CONSENT ORDER AS TO MICHAEL B. REETZ

1 **CONSENT ORDER**

2 Based upon the foregoing and finding it in the public interest:

3 IT IS AGREED AND ORDERED that Respondent Michael B. Reetz and his agents and employees
4 each shall cease and desist from violating RCW 21.20.140, the provision of the Securities Act of
5 Washington making it unlawful to sell unregistered securities.

6 IT IS FURTHER AGREED AND ORDERED that Respondent Michael B. Reetz and his agents
7 and employees each shall cease and desist from violating RCW 21.20.040, the section of the Securities
8 Act of Washington requiring registration of securities salespersons, broker-dealers, investment advisers,
9 and investment adviser representatives.

10 IT IS FURTHER AGREED AND ORDERED that Respondent Michael B. Reetz and his agents
11 and employees each shall cease and desist from violating RCW 21.20.010, the anti-fraud section of the
12 Securities Act of Washington.

13 IT IS FURTHER AGREED AND ORDERED that Respondent Michael B. Reetz shall be liable for
14 and pay a fine of \$2,000 on or before the date of entry of this consent order.

15 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Order.

16 IT IS FURTHER AGREED that in consideration of the foregoing Respondent Michael B. Reetz
17 waives his right to a hearing in this matter and judicial review of this matter pursuant to RCW 21.20.440
18 and RCW 34.05.

19 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

20 SIGNED this 3rd day of June, 2008.

21 Approved for entry by:

22 CONSENT ORDER AS TO MICHAEL B. REETZ

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/s/
John Bender, WSBA #19540
Attorney for Respondent

Signed by:

/s/
MICHAEL B. REETZ, individually

SIGNED and ENTERED this 4th day of June, 2008.

Michael E. Stevenson

MICHAEL E. STEVENSON
Securities Administrator

Approved by:

Suzanne Sarason

SUZANNE SARASON
Chief of Compliance and Examinations

Presented by:

Jill M. Vallely

JILL M. VALLELY
Enforcement Attorney