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

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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-06-065-08-CO04

CONSENT ORDER AS TO BRUCE MCCURDY,  
MALIBU DEVELOPMENT CORPORATION,  
AND THE MERIDIAN ON BAINBRIDGE  
ISLAND LLC

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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 Respondents Bruce McCurdy, Malibu Development Corporation, and The Meridian on Bainbridge Island LLC 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." Respondents Bruce McCurdy, Malibu Development Corporation, and The Meridian on Bainbridge Island LLC neither admit nor deny the Findings of Fact and Conclusions of Law, which are hereby incorporated by reference into this Consent Order.

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2 **CONSENT ORDER**

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

4 IT IS AGREED AND ORDERED that Respondents Bruce McCurdy, Malibu Development  
5 Corporation, and The Meridian on Bainbridge Island LLC and their agents and employees each shall  
6 cease and desist from violating RCW 21.20.140, the provision of the Securities Act of Washington  
7 making it unlawful to sell unregistered securities.

8 IT IS FURTHER AGREED AND ORDERED that Respondents Bruce McCurdy and Malibu  
9 Development Corporation, and their agents and employees, each shall cease and desist from violating  
10 RCW 21.20.040, the section of the Securities Act of Washington requiring registration of securities  
11 salespersons, broker-dealers, investment advisers, and investment adviser representatives.

12 IT IS FURTHER AGREED AND ORDERED that Respondents Bruce McCurdy, Malibu  
13 Development Corporation, and The Meridian on Bainbridge Island LLC and their agents and employees  
14 each shall cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act of  
15 Washington.

16 IT IS FURTHER AGREED AND ORDERED, pursuant to RCW 21.20.110(1), that Respondent  
17 Bruce McCurdy shall not make application for nor be granted a broker-dealer, securities salesperson,  
18 investment adviser and/or investment adviser representative license for a period of ten (10) years from  
19 the date of entry of this Consent Order.

20 IT IS FURTHER AGREED AND ORDERED that Respondent Bruce McCurdy shall be liable for  
21 and pay a fine of \$10,000 and shall be liable for and pay investigative costs in the amount of \$5,000.

22 The payments shall be made as follows. Respondent Bruce McCurdy shall make an initial payment of

23 CONSENT ORDER AS TO BRUCE MCCURDY,  
24 MALIBU DEVELOPMENT CORPORATION, AND  
25 THE MERIDIAN ON BAINBRIDGE ISLAND LLC



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THE MERIDIAN ON BAINBRIDGE ISLAND LLC

By: /s/  
BRUCE MCCURDY, MALIBU DEVELOPMENT CORPORATION, Managing Member

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SIGNED and ENTERED this 27th day of January, 2010.

*Michael E. Stevenson*

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MICHAEL E. STEVENSON  
Securities Administrator

Approved by:

*Suzanne Sarason*

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SUZANNE SARASON  
Chief of Enforcement

Presented by:

*Jill M. Valley*

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JILL M. VALLELY  
Enforcement Attorney