

## Executive Summary

June 20<sup>th</sup> Court decision allows sixty days (until August 20<sup>th</sup>) to properly organize individual LLCs

- Bylaws must be put in place and include
  - Duties, responsibilities and authorities (and limitations of authority) of Board of Members
  - Duties, responsibilities and authorities (and limitations of authority) of Manager whether the Manager is from inside or outside the LLC
  - Methodology of electing and removing Members of the Board
- Correct flaws in contracts
  - Indemnification of Board of Members.
  - Require that the Board of Members be made up only of Members
- Election of Board of Members should be solely by Members.
- Boards of Members make and control management and servicing decisions.
- Have new corrected contracts prepared, distributed and returned.

June 20<sup>th</sup> Court decision allows sixty days (until August 20<sup>th</sup>) to resolve transparency issues

- Issue ownership disclosure for FDH, L2L and provide résumés of principals and key individuals.
- Disclose outside servicing companies that L2L may contract for services (i.e.: Vindrauga Corporation, Consolidated Mortgage, CFI Mortgage, California Pacific Mortgage, etc.)
- Resolve L2L's lack of license to act as a loan servicer