

**FEED THE CHILDREN, INC.
BOARD OF DIRECTORS MEETING
May 16, 2008**

The Board of Directors of Feed The Children, Inc. met on Friday, May 16, 2008 at 10:30 a.m. in the corporate office at 333 N. Meridian, Oklahoma City, OK.

Present: Mr. Dwight Powers, Chairman
 Mr. George Stevens, Treasurer
 Mr. Rick England
 Mr. Dan Mugg
 Ms. Linda Schluchter
 Mr. Leo Fundaro, Jr.
 Dr. Larry Jones, President
 Dr. C. Earnest Wyatt

In Attendance: Miss Larri Sue Jones, V.P. & General Counsel
 Mr. Travis Arnold, C.O.O.
 Mr. Jerry McCarley
 Mr. Mark Weimer, outside legal counsel

QUORUM

Mr. Dwight Powers, Chairman, stated that the Directors were present, noted that a quorum was present and declared the meeting to be open for the transaction of business.

BUSINESS TRANSACTED

- I. Minutes of the April 11, 2008 Board Meeting were presented for approval. Motion was made by Mrs. Linda Schluchter and seconded by Mr. Leo Fundaro to approve minutes as presented. Motion passed unanimously.
- II. Discussion was had regarding Directors and Officers Insurance Coverage in light of the recent events in Elkhart, Indiana. Motion was made by Mr. Leo Fundaro and seconded by Mrs. Linda Schluchter to have the policy reviewed and have other liability limits explored for FTC's Board of Directors. Motion passed unanimously.
- III. Mr. Mark Weimer was asked to give a brief overview of the fiduciary responsibilities and personal liability of the Directors in light of the recent events in Elkhart, Indiana.
- IV. The Directors then asked for Mr. Jerry McCarley to join the meeting and give a full report regarding the preliminary and subsequent investigation

EXHIBIT

D

and findings of his trips to Elkhart, Indiana regarding the facility and the incidents there.

- V. The Directors then had discussion regarding the Elkhart, Indiana facility and the Resolution regarding the Jones family members. The Directors discussed the following at length:
- a. Indiana Facility – what to do??
 - i. Electrical hazards
 - ii. Plumbing hazards
 - iii. Change locks
 - iv. Interviews
 - 1. Interview Jim Shaffer regarding Manowee items; building being salvaged
 - 2. Interview Jack Schoenthaller regarding building being salvaged
 - v. LJ's involvement and/or authority needs to be determined regarding actions to be taken at the facility, with the investigation, AJ, any ancillary issues regarding Elkhart and AJ. LJ needs to cooperate and not have direction or control over any of the Elkhart matter.
 - 1. Leases???? Need to be uniform and on file with FTC finance department, need to be at commercial FMV and need to be in compliance with Indiana law. ARE THERE LEASES THAT FTC IS UNAWARE OF -- oral leases, leases executed by Spark Management or AJ that no one knows about? Are there leases for trade?
 - a. No new leases to any entity
 - b. No leases to Affiliated Media Group (including any subsidiaries) and no leases to any related third parties and/or FTC vendors without prior written approval from the Board of Directors
 - 2. Sale of facility (need prior permission from Bayer)
 - b. Allen Jones
 - i. Authority (apparent, implied or otherwise) removed regarding all FTC enterprises, including Story of Hope, and from FTC organization
 - ii. Credit card(s) – cancel AJ's card, remove his authority to use FTC travel card, remove his ability to use LJ's or FJ's credit cards and/or credit card numbers
 - iii. Reimburse FTC for personal use of organization funds (items and/or products whether designated AJ, IN, or Manowee)

- iv. Physically remove from facility, surrender keys, removal of personal property from facility (boats, sea doos, furniture, etc. – no use of facility for personal storage)
 - v. Company equipment and vehicles NOT to be used by AJ for any reason whether alleged for FTC or personal
 - vi. Use of FTC staff for personal tasks not permitted (no use of FTC staff to remove his personal belongings) now or in the future
 - vii. Or FTC to deliver his personal belongings directly to him
 - viii. Full accounting of any monies received on the salvage on the building and return of those funds or replevin of the property if still in his possession.
 - ix. No further shipments of any items (supplies, framed art, prints, merchandise, etc.) to AJ in Indiana. Close alleged store in Indiana.
 - x. No further FTC reimbursements for any AJ related items, by either AJ, LJ or FJ.
 - xi. AJ to reimburse FTC for any remodel to his personal home that was billed to and paid by either Spark Management and/or FTC (Middlebury Electric, garage door, FTC staff time for their “help” at his home, etc.)
 - xii. No “assistance” to FTC – no new tenants, no showing the building, no involvement regarding facility maintenance or upkeep
- c. Walt Anderson
- i. Promissory note – LJ had Walt sign a promissory note in January. Provisions of the note are not known.
 - ii. Can FTC pursue the note?
 - iii. Does FTC have claims against Walt and/or Spark Management? What actions does FTC need to take against Walt Anderson and/or Spark Management regarding the stripping and salvaging of the building? Breach of Contract? Criminal charges for theft? Ramifications ??
- d. Jessica Smith
- i. Promissory note \$9,500.00 – does FTC pursue payment?
 - ii. Does FTC have claims against Jessica Smith regarding the stripping and salvaging of the building; AJ’s involvement; wasting of corporate assets?
- e. Ramifications?
- f. Publicity/Media/Donors/IRS/State Regulators/USDA/USAID

2. George Stevens' proposal for an internal audit department
3. George Stevens to perform internal audit of Indiana facility and personnel
4. George Stevens to review financial transactions of each Jones family member
5. Audit Committee to recommend controls and procedures around executive positions: President; V.P. & General Counsel; Chief Operating Officer; Chief Financial Officer; Executive V.P. & Secretary
6. Budget for executive transactions – parameters and restrictions
7. Executives – Hiring and Reviews

Following discussion of these items, the following actions/resolutions occurred:

Dr. Larry Jones agreed to recuse himself from the Elkhart, Indiana issues and his son, Allen Jones, for the items listed in the Agenda and to have no further authority or control over the matters therein. Dr. Jones agreed to cooperate with the investigation and to provide the promissory notes executed by Walt Anderson and Jessica Smith. Dr. Jones agreed to recuse himself from Board matters regarding the same. Motion was made by Mrs. Linda Schluchter and seconded by Mr. Leo Fundaro to accept Dr. Jones' recusal for the Indiana matter, Allen Jones and the Jones family matters. Motion passed unanimously.

Motion was made by Mr. Rick England and seconded by Mr. Dwight Powers to appoint Mr. Travis Arnold and Mr. George Stevens to be in charge of the Indiana investigation, including building safety codes and OSHA violations. Further actions and decisions will be made by the Board upon the conclusion of the investigation. During the investigation, Mr. Stevens will recuse himself from voting on Board matters directly related to the investigation. Motion passed unanimously.

Motion was made by Mrs. Linda Schluchter and seconded by Mr. Dwight Powers to appoint Mr. George Stevens to set up the Internal Auditing Department (proposal attached). Motion passed unanimously.

Page Five
Board of Directors Meeting Minutes
May 16, 2008

VI. Fee dispute with McGladrey Pullen LLP.

Mr. Arnold shared with the Directors that the fee dispute is being resolved in accordance with the resolution passed at the April 11, 2008 Board meeting.

OTHER BUSINESS

The next board meeting will be in June, 2008, prior to fiscal year end. The Directors will be notified.

ADJOURNMENT

Having no further business to bring before the Board, motion was made by Mr. Rick England and seconded by Mr. Dwight Powers to adjourn the meeting. Motion passed unanimously.

Respectively submitted,

Ms. Larri Sue Jones, V.P & General Counsel

INTERNAL AUDITING DEPARTMENT

PRIMARY FUNCTION

Examines and evaluates the organization's financial and information systems, management procedures, and managerial and internal controls to ensure records and controls are accurate. Analyzes and recommends business improvements and ways to better execute the organization's responsibilities.

DIRECTOR OF INTERNAL AUDITING

Develops, directs, and administers the organization's internal audit program system and procedures to determine the effectiveness of controls, accuracy of records, and efficiency of operations. Monitors company operations and each financial system and evaluates their efficiency, effectiveness, and compliance with internal corporate policies and procedures and external laws and government regulations.

Typically reports to Operations Top Officer and/or Board of Directors. Measures and evaluates the effectiveness and efficiency of business practices and operations, the reliability of financial reporting, the process for deterring and investigating fraud, and the safeguarding of company assets.

Provides counsel and advice to management regarding implications of audit findings, and recommends appropriate corrective measures.