



PRESIDENTIAL COMM. NO. 15-116  
FSM CONGRESS

*The President*  
*Palikir, Pohnpei*  
*Federated States of Micronesia*

December 7, 2007

The Honorable Isaac V. Figir  
Speaker  
15<sup>th</sup> FSM Congress  
Palikir, Pohnpei State, FM 96941

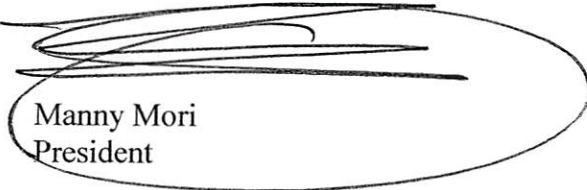
**RE: C.A. No. 15-26**

Dear Speaker Figir:

I am pleased to inform you that I designated the following Congressional Act as Public Law No. 15-21:

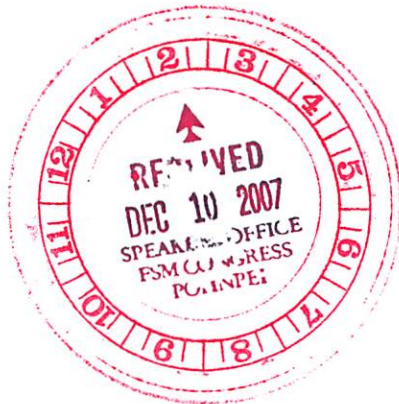
Congressional Act No. 15-26, "AN ACT TO AMEND TITLE 27 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA AS ENACTED BY PUBLIC LAW NO. 15-08, BY AMENDING SECTION 265 THEREOF TO PROVIDE AN ALTERNATIVE PROCEDURE FOR DIVESTMENT OF ASSETS AND OPERATIONS OF THE FEDERATED STATES OF MICRONESIA PETROLEUM CORPORATION TO THE STATES IN WHICH THEY ARE LOCATED, AND FOR OTHER PURPOSES."

Sincerely,



Manny Mori  
President

xc: Chief Justice, FSM Supreme Court  
Secretary, Dept. of Justice  
Director, SBOC  
Legislative Counsel, CFSM  
Library, CFSM  
PIO, FSM





Office of the Chief Clerk

CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3

Palikir, Sokehs

Pohnpei State, FM 96941

Tel: (691) 320-2324 / 2338

Fax: (691) 320-5122

**PRESIDENTIAL COMM. NO. 15-116**  
**FM CONGRESS**

November 27, 2007



His Excellency Manny Mori  
President  
Federated States of Micronesia  
Palikir, Pohnpei FM 96941

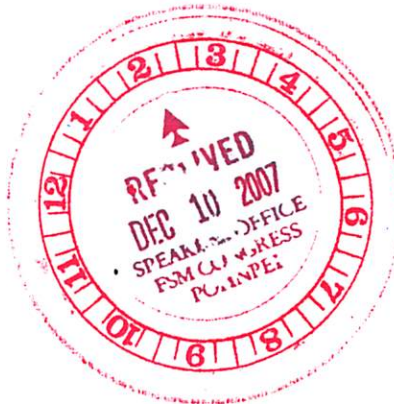
Dear Mr. President:

I have the honor to transmit herewith Congressional Act No. 15-26, "AN ACT TO AMEND TITLE 27 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA AS ENACTED BY PUBLIC LAW NO. 15-08 BY AMENDING SECTION 265 THEREOF TO PROVIDE AN ALTERNATIVE PROCEDURE FOR DIVESTMENT OF ASSETS AND OPERATIONS OF THE FEDERATED STATES OF MICRONESIA PETROLEUM CORPORATION TO THE STATES IN WHICH THEY ARE LOCATED, AND FOR OTHER PURPOSES.", which was passed by the Fifteenth Congress of the Federated States of Micronesia, Third Special Session, 2007, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

Liwiana K. Ramon  
Chief Clerk, Congress of the  
Federated States of Micronesia

Enclosures





PRESIDENTIAL COMM. NO. 15-116  
FSM CONGRESS

PUBLIC LAW No. 15 - 21



FIFTEENTH CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
THIRD SPECIAL SESSION  
NOVEMBER 14 - 24, 2007

## An Act

TO AMEND TITLE 27 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA AS ENACTED BY PUBLIC LAW NO. 15-08 BY AMENDING SECTION 265 THEREOF TO PROVIDE AN ALTERNATIVE PROCEDURE FOR DIVESTMENT OF ASSETS AND OPERATIONS OF THE FEDERATED STATES OF MICRONESIA PETROLEUM CORPORATION TO THE STATES IN WHICH THEY ARE LOCATED, AND FOR OTHER PURPOSES.

INTRODUCED BY: SENATOR JOE N. SUKA (BY REQUEST)

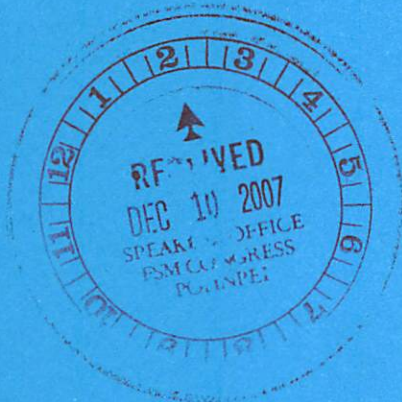
DATE: NOVEMBER 16, 2007

REFERRED TO: RESOURCES AND DEVELOPMENT COMMITTEE

S.C.R. NO. 15-50 – NOVEMBER 21, 2007

FIRST READING: NOVEMBER 22, 2007

SECOND READING: NOVEMBER 23, 2007



Liwiana K. Ramon  
Chief Clerk, FSM Congress





Office of the Speaker

CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3  
Palikir, Sokehs  
Pohnpei State, FM 96941  
Tel: (691) 320-2324 / 2338  
Fax: (691) 320-5122

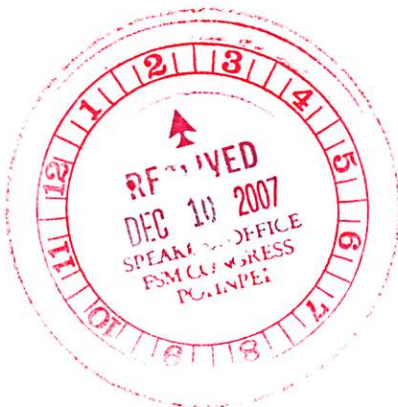
**PRESIDENTIAL COMM. NO. 15-116**  
**FSM CONGRESS**

ACT NO. 15-26

(CONGRESSIONAL BILL NO. 15-82)

We hereby certify that on November 23 the foregoing act passed Second and Final Reading of the Fifteenth Congress of the Federated States of Micronesia, Third Special Session, 2007, by a two-thirds vote of all the State delegations as required under article IX, section 20, of the Constitution of the Federated States of Micronesia.

Isaac V. Figir  
Speaker  
Congress of the  
Federated States of Micronesia



Liwiana K. Ramon  
Chief Clerk  
Congress of the  
Federated States of Micronesia

FIFTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

THIRD SPECIAL SESSION, 2007

CONGRESSIONAL BILL NO. 15-82

**PUBLIC LAW No. 15-21**

**PRESIDENTIAL COMM. NO. 15-116**

**FGM CONGRESS**

AN ACT

To amend title 27 of the Code of the Federated States of Micronesia as enacted by Public Law No. 15-08 by amending Section 265 thereof to provide an alternative procedure for divestment of assets and operations of the Federated States of Micronesia Petroleum Corporation to the States in which they are located, and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

1       Section 1. Title 27 of the Code of the Federated States of  
2 Micronesia, as enacted by Public Law No. 15-08, is hereby amended  
3 by adding a new subsection 3 to Section 265 thereof to read as  
4 follows:

5               "Section 265. Issuance of Shares; divestment.

6               (1) Upon the written instruction of the Executive  
7 Council, the Corporation shall, through the filing of  
8 such documents as may be required of privately-held  
9 corporations, including, without limitation, Articles of  
10 Incorporation, Bylaws and Share Affidavits, capitalize  
11 itself through the issuance of common shares and, in  
12 such event, the provisions of this Chapter shall be made  
13 subject to the terms of the Articles of Incorporation  
14 and Bylaws, and nothing in this Chapter shall be read as  
15 restricting the payment of dividends, the holding of  
16 annual shareholder's meetings, the conduct of audits for  
17 the benefit of shareholders, the election of Directors  
18 and such other corporate governance and shareholder's

PRESIDENTIAL COMM. NO. 15-116  
FSM CONGRESS

PUBLIC LAW No. 15-21

1 rights provisions as may be set out in the Articles of  
2 Incorporation and Bylaws and approved by the Executive  
3 Council.

4 (2) Upon the written instruction of the Executive  
5 Council, the Corporation shall, subject to the  
6 conditions set forth in Section 243, take all necessary  
7 steps to divest its assets and operations, in whole or  
8 in part, to such entity or entities as shall be directed  
9 by the Executive Council. The Board and officers of the  
10 Corporation shall take all necessary actions to  
11 effectuate such divestment, including the execution of  
12 documents and instruments, and the turnover of books,  
13 records and personal property as shall be necessary to  
14 transfer operations and assets of the Corporation to the  
15 entity or entities designated by the Executive Council.  
16 Upon written instruction of the Executive Council  
17 following such divestment, the Corporation shall wind up  
18 its affairs and cease operation."

19 (3) Notwithstanding any other provisions of this  
20 Section, the assets and operations of the Corporation  
21 may be divested to the State in which the assets and  
22 operations are located if:

23 (a) such State provides full payment or  
24 reimbursement of all debts and expenses incurred by the  
25 Government of the Federated States of Micronesia and the



PRESIDENTIAL COMM. NO. 15-116  
FSM CONGRESS

1 Corporation in the acquisition of those assets, and any  
2 product inventory remaining therein at the time of the  
3 divestment;

4 (b) such divestment is approved by the majority  
5 decision of the Executive Council; and

6 (c) the manner of divestment does not breach any  
7 agreement to which the Corporation, the Government of  
8 the Federated States of Micronesia, or the State is  
9 bound in respect of the assets or the supply of  
10 products.

11 Section 2. Effectiveness. This act shall become law upon  
12 approval by the President of the Federated States of Micronesia or  
13 upon its becoming law without such approval.

14  
15  
16  
17  
18 12, 07, 2007

19  
20  
21  
22  
23  
24   
25 Manny Mori  
President  
Federated States of Micronesia