



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

**PRESIDENTIAL COMM. NO. 15-117**  
**FSM CONGRESS**

December 20, 2007

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


**RE: C.A. No. 15-25**

Dear Speaker Figir:

I am pleased to inform you that I **have designated the following Act as Public Law No. 15-22:**

Congressional Act No. 15-25, "AN ACT TO AUTHORIZE THE PRESIDENT OF THE FEDERATED STATES OF MICRONESIA TO EXECUTE A FULL FAITH AND CREDIT GUARANTY AS SECURITY FOR A LOAN AGREEMENT BETWEEN THE FSM PETROLEUM CORPORATION AND THE BANK OF GUAM, 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

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**PRESIDENTIAL COMM. NO. 15-117**

**FSM 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. 15-25, "AN ACT TO AUTHORIZE THE PRESIDENT OF THE FEDERATED STATES OF MICRONESIA TO EXECUTE A FULL FAITH AND CREDIT GUARANTY AS SECURITY FOR A LOAN AGREEMENT BETWEEN THE FSM PETROLEUM CORPORATION AND THE BANK OF GUAM.", 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. 15-117**

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

**PUBLIC LAW No. 15 - 22**

## An Act

TO AUTHORIZE THE PRESIDENT OF THE FEDERATED STATES OF MICRONESIA  
TO EXECUTE A FULL FAITH AND CREDIT GUARANTY AS SECURITY FOR A  
LOAN AGREEMENT BETWEEN THE FSM PETROLEUM CORPORATION AND THE  
BANK OF GUAM.

INTRODUCED BY: SENATOR JOE N. SUKA

DATE: NOVEMBER 14, 2007

REFERRED TO: RESOURCES AND DEVELOPMENT COMMITTEE

S.C.R. NO. 15-49 – 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

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**PRESIDENTIAL COMM. NO. 15-117**  
**FSM CONGRESS**

ACT NO. 15-25

(CONGRESSIONAL BILL NO. 15-80, C.D.1)

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.

A handwritten signature in black ink, appearing to read "Isaac V. Figir".

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

A handwritten signature in blue ink, appearing to read "Liwiana K. Ramon".

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. 15-80, C.D.1

**PUBLIC LAW No. 15 - 22**

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AN ACT

To authorize the President of the Federated States of Micronesia to execute a full faith and credit guaranty as security for a loan agreement between the FSM Petroleum Corporation and the Bank of Guam.

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

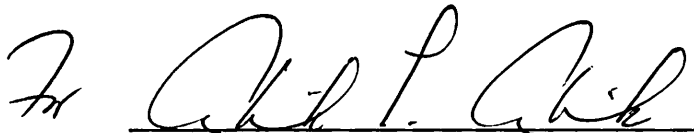
1       Section 1. Purpose. The newly created FSM Petroleum  
2 Corporation (FSMPC) is in the process of consummating a  
3 transaction with Mobil Oil Micronesia, Inc. (MOMI) to purchase  
4 MOMI's fuel facilities located within the FSM and to enter into a  
5 new fuel supply agreement with MOMI and is in need of a commercial  
6 loan in order to complete these deals and begin its operations.  
7 FSMPC has negotiated a loan with the Bank of Guam (BOG) in the  
8 amount of \$9,740,000. BOG requires FSMPC to secure from the  
9 President a "full faith and credit guaranty," the essence of which  
10 is that the National Government will agree to become jointly and  
11 severally liable for FSMPC's payment obligations under the loan  
12 and consent to waive its sovereign immunity for the transaction.  
13 A limited waiver of sovereign immunity is codified at 6 F.S.M.C. §  
14 702. However, pursuant to 27 F.S.M.C § 251 (as enacted by Public  
15 Law No. 15-08), the National Government will not assume the debts  
16 of FSMPC in the absence of a law expressly authorizing such  
17 assumption.

18       Section 2. Authorization. Pursuant to the borrowing  
19 authority bestowed by article IX of the FSM Constitution, 27

1 F.S.M.C. § 251, and 6 F.S.M.C § 702, the Congress hereby  
2 authorizes the President to execute the guaranty with the Bank of  
3 Guam and waives the sovereign immunity of the National Government  
4 with regard to any legal action arising from the guaranty.

5 Section 3. This act shall become law upon approval by the  
6 President of the Federated States of Micronesia or upon its  
7 becoming law without such approval.

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10  
11 December 20, 2007  
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18 Manny Mori  
19 President  
20 Federated States of Micronesia  
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