The President
Palsikir, Pohnpei
Federated States of Micronesia

June 4th, 2019

The Honorable Wesley W. Simina
Speaker
Twenty-first Congress
Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear Speaker Simina:

I am pleased to transmit the following congressional act, which I have signed into Public Law No. 21-02, as follows:

Congressional Act No. 21-01, entitled: "AN ACT TO AMEND SECTION 137 OF TITLE 36 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS ENACTED BY PUBLIC LAW NO. 20-35, BY DELETING REFERENCE TO BEARER SHARE, AND FOR OTHER PURPOSES."

Thank you.

Sincerely,

[Signature]

David W. Panuelo
President

Xc: Chief Justice, FSM Supreme Court
May 27, 2019

His Excellency David W. Panuelo
President
Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear President Panuelo:

I have the honor to transmit herewith Congressional Act No. 21-01, "AN ACT TO AMEND SECTION 137 OF TITLE 36 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS ENACTED BY PUBLIC LAW NO. 20-35, BY DELETING REFERENCE TO BEARER SHARE, AND FOR OTHER PURPOSES.", which was passed by the Twenty-First Congress of the Federated States of Micronesia, First Regular Session, 2019, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

[Signature]

Liwiana Ramon Ioanis
Chief Clerk, Congress of the Federated States of Micronesia

Enclosures
An Act

TO AMEND SECTION 137 OF TITLE 36 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS ENACTED BY PUBLIC LAW NO. 20-35, BY DELETING REFERENCE TO BEARER SHARE, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: ISAAC V. FIGIR

DATE: MAY 14, 2019

REFERRED TO: COMMITTEE ON WAYS AND MEANS
WITHDRAWN – MAY 14, 2019
FIRST READING: – MAY 14, 2019
SECOND READING: – MAY 23, 2019

PUBLIC LAW No. 21-02

Liwiana Ramon Ielanis
Chief Clerk, FSM Congress
ACT NO. 21-01

(CONGRESSIONAL BILL NO. 21-02)

We hereby certify that on May 23 the foregoing act passed Second and Final Reading of the Twenty-First Congress of the Federated States of Micronesia, First Regular Session, 2019, 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.

Wesley W. Simina
Speaker
Congress of the Federated States of Micronesia

Liwiana Ramon Ioanis
Chief Clerk
Congress of the Federated States of Micronesia
A BILL FOR AN ACT

To amend section 137 of title 36 of the Code of the Federated States of Micronesia (Annotated), as enacted by Public Law No. 20-35, by deleting reference to bearer share, and for other purposes.

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

1. Section 137 of title 36 of the Code of the
2. Federated States of Micronesia (Annotated), as enacted by Public
3. Law No. 20-35, is hereby amended to read as follows:

"Section 137. Fractional shares.

(1) A corporation may:

(a) Issue fractions of a share or pay in money

the value of factions of a share;

(b) Arrange for disposition of fractional shares

by the shareholders; or

(c) Issue scrip in registered form entitling the

holder to receive a full share upon surrendering enough

scrip to equal a full share.

(2) Each certificate representing scrip must be

conspicuously labeled "scrip" and much contain the

information required by section 143.

(3) The holder of a fractional share is entitled to

exercise the rights of a shareholder, including the

right to vote, to receive dividends, and to participate

in the assets of the corporation upon liquidation. The
holder of scrip is not entitled to any of these rights unless the scrip provides for them.

(4) The board of directors may authorize the issuances of scrip subject to any condition considered desirable, including:

(a) That the scrip will become void if not exchange for full shares before a specified date;

(b) That the shares for which the scrip is exchangeable may be sold and the proceeds paid to the scrip holders.

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

June 4, 2019

David W. Panuelo
President
Federated States of Micronesia