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A BILL FOR AN ACT

To further amend title 4 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 3-3 and 3-40, by repealing section 204 in its entirety and enacting a new section 204 for the purpose of establishing provisions for service of process outside the territorial jurisdiction of the Supreme Court of the Federated States of Micronesia, and for other purposes.

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

1 Section 1. Section 204 of title 4 of the Code of the Federated
2 States of Micronesia is hereby repealed in its entirety and a new
3 section 204 is hereby enacted to read as follows:

4 "Section 204. Service of process outside the
5 territorial jurisdiction of the Supreme Court.

6 (1) Any person, corporation, or legal entity, whether or
7 not a citizen or resident of the Federated States of
8 Micronesia, who in person or through an agent does any of
9 the acts enumerated in this section, thereby submits
10 himself or its personal representative to the personal
11 jurisdiction of the Supreme Court of the Federated
12 States of Micronesia as to any cause of action arising
13 from:

14 (a) The transaction of any business within the
15 Federated States of Micronesia;

16 (b) The operation of a motor vehicle within the
17 Federated States of Micronesia;

18 (c) The operation of a vessel or craft within
19 the territorial waters or airspace of the Federated States
20 of Micronesia;

21 (d) Fishing or otherwise harvesting resources
22 within the extended fishery zone of the Federated States of
23 Micronesia;

24 (e) The commission of a tortious act within the
25 Federated States of Micronesia;

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1 (f) Contracting to insure any person, property,
2 or risk located within the Federated States of Micronesia
3 at the time of contracting;

4 (g) The ownership, use, or possession of any
5 real estate within the Federated States of Micronesia;

6 (h) Entering into an expressed or implied
7 contract, by mail or otherwise, with a resident of the
8 Federated States of Micronesia to be performed in whole or
9 in part by either party in the Federated States of
10 Micronesia;

11 (i) Acting within the Federated States of
12 Micronesia as director, manager, trustee, or other officer
13 of any corporation organized under the laws of or having a
14 place of business within the Federated States of
15 Micronesia, or as executor or administrator of any estate
16 within the Federated States of Micronesia;

17 (j) Causing injury to persons or property within
18 the Federated States of Micronesia arising out of an act or
19 omission outside of the Federated States of Micronesia by
20 the defendant, provided in addition, that at the time of
21 the injury either:

22 (i) The defendant was engaged in the
23 solicitation or sales activities within the Federated
24 States of Micronesia; or

25 (ii) Products, materials, or things

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1 processed, serviced, or manufactured by the defendant
2 anywhere were used or consumed within the Federated States
3 of Micronesia; and

4 (k) Living in the marital relationship within
5 the Federated States of Micronesia notwithstanding
6 subsequent departure from the Federated States of
7 Micronesia, as to all obligations arising for alimony,
8 child support or property rights under chapter 16 of this
9 title, if the other party to the marital relationship
10 continues to reside in the Federated States of Micronesia.

11 (2) Service of process may be made upon any person
12 subject to the jurisdiction of the Supreme Court under this
13 section by personally serving the summons upon the
14 defendant outside the Federated States of Micronesia. Such
15 service has the same force and effect as though service had
16 been personally made within the Federated States of
17 Micronesia.

18 (3) Service of summons shall be made under this
19 section in like manner as service within the Federated
20 States of Micronesia by any officer or person authorized to
21 make service of summons in the State or jurisdiction where
22 the defendant is served. An affidavit of the server shall
23 be filed with the court issuing said summons stating the
24 time, manner, and place of service. The court may consider
25 the affidavit or any other competent proofs in determining

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1 whether service has been properly made. No default shall
2 be entered until the expiration of at least 30 days after
3 service. A default judgment rendered on service made under
4 this section may be set aside only on a showing which would
5 be timely and sufficient to set aside a default judgment
6 entered upon personal service within the Federated States
7 of Micronesia.

8 (4) Nothing contained in this section limits or
9 affects the right to serve any process in any other manner
10 now or hereafter provided by law."

11 Section 2. Nothing in this act shall be construed to expand the
12 existing subject matter jurisdiction of the Supreme Court of the
13 Federated States of Micronesia.

14 Section 3. This act shall become law upon approval by the
15 President of the Federated States of Micronesia or upon its becoming
16 law without such approval.

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18 Date: 8/18/86

Introduced by: ✓
Jack Fritz

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