
A RESOLUTION

Approving the assumption by the Federated States of Micronesia Telecommunications Corporation of long-term indebtedness to the United States Rural Electrification Administration in the maximum principal amount of \$41,000,000.

1 WHEREAS, pursuant to the requirements of subsection (5) of
2 section 231 of title 21 of the Code of the Federated States of Micro-
3 nesia, as established by Public Law No. 5-7, the Federated States of
4 Micronesia Telecommunications Corporation (the "Corporation") cannot
5 assume indebtedness that is due more than 365 days from the date
6 of execution, without the prior approval of the Congress of the
7 Federated States of Micronesia by resolution; and

8 WHEREAS, in response to the Corporation's application for a
9 loan from the United States Rural Electrification Administration (the
10 "REA") for the purpose of improving telecommunication services and
11 equipment within the Federated States of Micronesia, the REA has
12 expressed a willingness to extend a loan to the Corporation in the
13 maximum principal amount of \$41,000,000; and

14 WHEREAS, the Corporation has applied to Congress for its
15 approval of this loan, and Congress has determined that assumption
16 of this indebtedness is prudent, responsible, and consistent
17 with the development needs and goals of the Federated States of
18 Micronesia; now, therefore,

19 BE IT RESOLVED by the Fifth Congress of the Federated States
20 of Micronesia, Second Regular Session, 1987, that the Congress
21 hereby approves the assumption by the Federated States of Micronesia
22 Telecommunications Corporation of long-term indebtedness to the
23 United States Rural Electrification Administration in the maximum
24 principal amount of \$41,000,000; PROVIDED that it shall not be a
25 condition precedent to the extension of the indebtedness that the

1 National Government of the Federated States of Micronesia guaranty
2 such indebtedness; and

3 BE IT FURTHER RESOLVED that this resolution approving the
4 assumption of indebtedness by the Corporation shall under no
5 circumstances be construed or understood as an express or implicit
6 guarantee of such indebtedness by the National Government of the
7 Federated States of Micronesia; and

8 BE IT FURTHER RESOLVED that certified copies of this resolution
9 be transmitted to the Chairman of the Board of Directors and the
10 Executive Director of the Federated States of Micronesia Telecommuni-
11 cations Corporation.

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13 Date: 10/29/87

Introduced by: 

Nick Bossy