

A RESOLUTION

Authorizing the Telecommunications Corporation of the Federated States of Micronesia [dba "Federated States of Micronesia Telecommunications Corporation"], pursuant to title 212, section 231(5), to incur debt and agree to liens or security interests in the assets of the Corporation.

1 WHEREAS, the Telecommunications Corporation of the Federated
2 States of Micronesia [doing business as "Federated States of
3 Micronesia Telecommunications Corporation"] (hereinafter referred
4 to as the "Corporation") is the sole provider of
5 telecommunications service within the Federated States of
6 Micronesia; and

7 WHEREAS, the Corporation wishes to replace its international
8 satellite transmission system with a submarine fiber optic cable
9 network; and

10 WHEREAS, Tyco Telecommunications, the largest supplier of submarine ca

11 WHEREAS, the Corporation has assured Congress that placement of this c

12 WHEREAS, the Corporation must seek a loan of approximately
13 \$17.8 million from the United States Department of Agriculture to
14 fund its participation cost in a project to access this submarine
15 cable; and

16 WHEREAS, title 21, section 231(5) provides that the
17 Corporation shall not assume any debt that will be repaid later
18 than 365 days from the date of execution, or agree to a lien or
19 other security interest in the assets of the Corporation as

1 security for a debt, without the approval by resolution of the
2 Congress; now, therefore,

3 BE IT RESOLVED by the Thirteenth Congress of the Federated
4 States of Micronesia, Second Special Session, 2003, that the
5 Congress hereby authorizes the Corporation to assume debt for the
6 purpose expressed herein in an amount not to exceed \$17.8 million,
7 which debt may be repaid later than 365 days from the date of
8 execution, and to agree to a lien or other security interest in
9 the assets of the Corporation as security for such debt;
10 be transmitted to the President of the Federated States of
11 Micronesia, the Secretary of the Department of Transportation,
12 Communication and Infrastructure of the Federated States of
13 Micronesia, and the Chief Executive Officer of the
14 Telecommunications Corporation of the Federated States of
15 Micronesia.

BE

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17 Date: 9/03/03

Introduced by: /s/ Peter M. Christian
Peter M. Christian

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