



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

**PRESIDENTIAL COMM. NO. 16-131**  
**FSM CONGRESS**

December 11, 2009

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

Dear Speaker Figir:

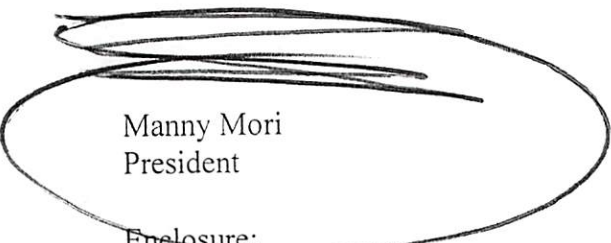
I am pleased to inform you that I have designated the following Congressional Act as Public Law No. 16-16:

Congressional Act No. 16-18, "AN ACT TO AMEND TITLE 29 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA BY CHANGING SECTION 613 IN ORDER TO INCREASE THE LIMIT THAT A BANK MAY LOAN TO ITS OFFICER, DIRECTOR, AGENT, EMPLOYEE AND/OR RELATED PERSON; AND FOR OTHER PURPOSES."

I take this opportunity to thank you and all the honorable members of Congress for passing this Act. While not all the amendments I proposed in the original C. B. No. 16-05 were adopted, I appreciate your concurrence in increasing the loan ceiling for bank staff and related person as realistic measure given the economic conditions of our Nation. I would however wish to continue to work closely with Congress on the other amendments that were not addressed at this time.

With warm regards, I remain,

Sincerely,



Manny Mori  
President

Enclosure:

xc: Chief Justice, FSM Supreme Court  
Secretary, Department of Justice  
Director, Office of SBOC  
**Legislative Counsel, CFSM**  
Library, CFSM  
PIO, FSM





CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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**PRESIDENTIAL COMM. NO. 16-131**  
**FSM CONGRESS**

*Office of the Chief Clerk*

December 08, 2009



His Excellency Manny Mori  
President  
Federated States of Micronesia  
Palikir, Pohnpei FM 96941

Dear President Mori:

I have the honor to transmit herewith Congressional Act No. 16-18, "AN ACT TO AMEND TITLE 29 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA BY CHANGING SECTION 613 IN ORDER TO INCREASE THE LIMIT THAT A BANK MAY LOAN TO ITS OFFICER, DIRECTOR, AGENT, EMPLOYEE AND/OR RELATED PERSON; AND FOR OTHER PURPOSES.", which was passed by the Sixteenth Congress of the Federated States of Micronesia, Second Special Session, 2009, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

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

Liwiana K. Ramon  
Chief Clerk, Congress of the  
Federated States of Micronesia

Enclosures





PRESIDENTIAL COMM. NO. 16-131  
FSM CONGRESS

SIXTEENTH CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
SECOND SPECIAL SESSION  
NOVEMBER 30 – DECEMBER 9, 2009

PUBLIC LAW No. 16-16

## An Act

TO AMEND TITLE 29 OF THE CODE OF THE FEDERATED STATES OF  
MICRONESIA BY CHANGING SECTION 613 IN ORDER TO INCREASE THE LIMIT  
THAT A BANK MAY LOAN TO ITS OFFICER, DIRECTOR, AGENT, EMPLOYEE  
AND/OR RELATED PERSON; AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: JOE N. SUKA

DATE: MAY 12, 2009

REFERRED TO: RESOURCES AND DEVELOPMENT COMMITTEE  
S.C.R. NO. 16-50 – DECEMBER 5, 2009

FIRST READING: DECEMBER 7, 2009

SECOND READING: DECEMBER 8, 2009

Liwiana K. Ramon  
Chief Clerk, FSM Congress





Office of the Speaker

*Congress of the  
Federated States of Micronesia*

*Palikir, Pohnpei  
Federated States of Micronesia*

**PRESIDENTIAL COMM. NO. 16-131  
FSM CONGRESS**

ACT NO. 16-18

(CONGRESSIONAL BILL NO. 16-05, C.D.1, C.D.2)

We hereby certify that on December 8 the foregoing act passed Second and Final Reading of the Sixteenth Congress of the Federated States of Micronesia, Second Special Session, 2009, 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 black ink, appearing to read "Liwiana K. Ramon".

Liwiana K. Ramon  
Chief Clerk  
Congress of the  
Federated States of Micronesia

SIXTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

FIRST REGULAR SESSION, 2009

CONGRESSIONAL BILL NO. 16-05, C.D.1,  
C.D.2

**PUBLIC LAW No. 16-16**

AN ACT

To amend title 29 of the Code of the Federated States of Micronesia by changing section 613 in order to increase the limit that a bank may loan to its officer, director, agent, employee and/or related person; and for other purposes.

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

1       Section 1. Section 613 of title 29 of the Code of the  
2 Federated States of Micronesia, as amended by Public Laws Nos. 12-  
3 57 and 13-56, is hereby further amended to read as follows:

4           "Section 613. Limitations on loans – Related persons.

5           (1) Except as herein provided, no domestic bank shall  
6 make any extension of credit to any of its officers,  
7 directors, agents, or employees, or to any related  
8 person, either directly or indirectly, except upon the  
9 written application of such person or related person  
10 stating the line of credit applied for, terms and  
11 security, if any, offered therefore to the board of  
12 directors or to the loan or executive committee of the  
13 board, and then only with the written approval of a  
14 majority of the board or majority of the loan committee  
15 of the bank (excluding the person seeking the credit)  
16 before the loan is made; and the approval of the loan as  
17 allowed by the board or the loan committee of the bank  
18 shall be made part of the minutes of the next directors'

1 meeting of the bank.

2 (2) Loans may be made to any officer, director, agent,  
3 employee, or shareholder of any domestic bank or any  
4 related person, without such application and approval,  
5 in amounts not in excess of \$25,000 in aggregate  
6 principal owing by any such individual and related  
7 person at any one time."

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

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14 \_\_\_\_\_ 12-11, 2009

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19 Manny Mori  
20 President  
21 Federated States of Micronesia  
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