



The President
Palikir, Pohnpei
Federated States of Micronesia

PRESIDENTIAL COMM. NO. 15-382
FSM CONGRESS

April 20, 2009

The Honorable Isaac V. Figir
Speaker
15th FSM Congress
Palikir, Pohnpei, FM 96941

RE: C.A. No. 15-81

Dear Speaker Figir:

To affirm my part in that endeavor, I am pleased to inform you that I have designated the following Congressional Act as Public Law No. 15-75:

Congressional Act No. 15-81, "AN ACT TO AMEND SECTIONS 103 AND 104 OF TITLE 36 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA; AND FOR OTHER PURPOSES."

I fully support this bill if its impetus is to update our corporation laws and make it conducive to corporate investments. It is indubitable that FSM is in dire need of major paradigm shift to become creative in formulating income generating approaches to achieve self-reliance and self-sufficiency. One relevant approach instigated by collaboration of the executive and legislative branch is the establishment of the corporate income tax. The proposed amendments hereto will definitely elevate the national corporate income tax base by attracting regional and international corporate investments in FSM. As a matter of fact, this bill will pave the way for major Japanese companies that are readily available to invest in FSM provided reform to update our current corporate laws are taken.

The proposed amendments are undertakings similar to what many democratic jurisdictions already have. In that light, a number of major Japanese corporations readily available to register in FSM are reluctant to register due to the inconsistencies of our current corporate law. The proposed amendments to the current corporate law will alleviate and rectify the position that our laws are outdated and may not be consistent with current corporate business practices.



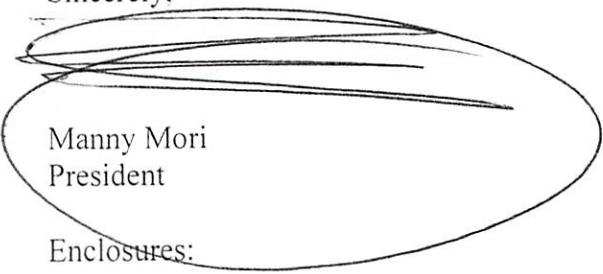


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The Honorable Isaac V. Figir
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It is our duty as leaders of this young nation to reach beyond territorial boundaries to induce bountiful benefits and advantages profusely for our country, nation, citizens and their well being.

Sincerely,



Manny Mori
President

Enclosures:

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



CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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PRESIDENTIAL COMM. NO. 15-382
FSM CONGRESS

Office of the Chief Clerk

March 23, 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. 15-81, "AN ACT TO AMEND SECTIONS 103 AND 104 OF TITLE 36 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA; AND FOR OTHER PURPOSES.", which was passed by the Fifteenth Congress of the Federated States of Micronesia, Seventh Special Session, 2009, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

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

Enclosures



PUBLIC LAW No. 15-75

FITEENTH CONGRESS OF THE
FEDERATED STATES OF MICRONESIA
SEVENTH SPECIAL SESSION
MARCH 16 - 25, 2009

PRESIDENTIAL COMM. NO. 15-382
FSM CONGRESS

An Act

TO AMEND SECTIONS 103 AND 104 OF TITLE 36 OF THE CODE OF THE
FEDERATED STATES OF MICRONESIA; AND FOR OTHER PURPOSES.

INTRODUCED BY SENATOR: JOE N. SUKA (BY REQUEST)

DATE: JANUARY 27, 2009

REFERRED TO: RESOURCES AND DEVELOPMENT COMMITTEE
WITHDRAWN – FEBRUARY 3, 2009

FIRST READING: FEBRUARY 4, 2009

SECOND READING: MARCH 19, 2009

Liwiana K. Ramon
Chief Clerk, FSM Congress



Office of the Speaker

CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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PRESIDENTIAL COMM. NO. 15-382
FSM CONGRESS

ACT NO. 15-81

(CONGRESSIONAL BILL NO. 15-182, C.D.1)

We hereby certify that on March 19 the foregoing act passed Second and Final Reading of the Fifteenth Congress of the Federated States of Micronesia, Seventh 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.

Isaac V. Figir
Speaker
Congress of the
Federated States of Micronesia

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

AN ACT

To amend sections 103 and 104 of title 36 of the Code of the Federated States of Micronesia; and for other purposes.

1 Section 1. Section 103, title 36 of the FSM Code is hereby
2 amended to read as follows:

3 "Section 103. Application for charter – Article of
4 Incorporation.

5 (1) An association of persons seeking a charter as a
6 corporation shall submit for approval of the President
7 of the Federated States of Micronesia, or his designee,
8 articles of incorporation which shall provide as least
9 the following information:

10 (a) proposed name of the corporation;

11 (b) principal office or place of business;

12 (c) proposed duration;

13 (d) purposes;

14 (e) powers;

15 (f) capitalization;

16 (g) names of incorporations, which shall be one
17 or more;

18 (h) number of directors, which shall be one or
19 more, and proposed officers;

20 (i) name(s) of director(s) and officers to serve
21 until first election;

1 (j) provisions of management, if any;
2 (k) provisions for voting by members;
3 (l) provisions for shareholding, if any;
4 (m) disposition of financial surplus;
5 (n) provisions for liquidation;
6 (o) provisions for amendment of articles of
7 incorporation.

8 (2) An affidavit shall be submitted to the Office of
9 the Registrar by the President and Secretary of the
10 corporation as named in the articles of incorporation
11 not later than sixty (60) days from the date of receipt
12 of the certificate of incorporation. The affidavit
13 shall be notarized by a duly authorized FSM notary.

14 (3) Any other document(s) that require notarization
15 shall be done by a duly authorized FSM notary."

16 Section 2. Section 104, title 35 of FSM Code is hereby
17 amended to read as follows:

18 "Section 104. Application for charter - Bylaws. In
19 addition to articles of incorporation, persons seeking a
20 charter as a corporation may, at the discretion of the
21 corporation, submit for approval of the President of the
22 Federated States of Micronesia, or his designee,
23 proposed bylaws governing the operation of the
24 corporation."
25

04-20, 2009

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