
A BILL FOR AN ACT

To amend section 309 of title 29 of the Code of the Federated States of Micronesia (Annotated), to establish a maximum amount of shares a single individual may own in a domestic bank, and for other purposes.

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

1 Section 1. Section 309 of title 29 of the Code of the
2 Federated States of Micronesia (Annotated), is hereby amended to
3 read as follows:

4 "Section 309. Amount and ownership of capital stock.

5 (1) No domestic bank shall be organized and
6 established in the Federated States of Micronesia with
7 a capital stock less than \$1,000,000, which shall be
8 paid in cash before the bank shall be authorized to
9 commence business, and at least two-thirds of which
10 shall be owned by persons who are citizens of the
11 Federated States of Micronesia and who shall have
12 resided in the Federated States of Micronesia for at
13 least one year prior to the application.

14 (2) Upon organization and establishment in
15 accordance with the provisions in this section, no
16 person or legal entity may subsequently acquire direct
17 or indirect ownership or control of more than 5
18 percent of the voting shares of a bank.

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

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5 Date: 5/18/21

Introduced by: /s/ Wesley W. Simina
Wesley W. Simina

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