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 an individual may own in a domestic bank, and for other purposes.

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

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

“Section 309. Amount and ownership of capital stock.

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

(2) Subsequent to organization and establishment in accordance with the provisions in this section and notwithstanding section 621 of this title, no individual may acquire direct or indirect ownership or control of more than 2.5 percent of the voting shares
Section 2. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

May 28th, 2021

/s/ David W. Panuelo
David W. Panuelo
President
Federated States of Micronesia