A RESOLUTION

To ratify the Agreements Relating to the international Telecommunications Satellite Organization ("INTELSAT").

WHEREAS, the allied Agreements Relating to the International Telecommunications Satellite Organization ("INTELSAT") consist of the Agreement Relating to the International Telecommunications Satellite Organization ("INTELSAT") and the Operating Agreement Relating to the International Telecommunications Satellite Organization ("INTELSAT"), both done at Washington on August 20, 1971; and

WHEREAS, INTELSAT is a non-profit international corporation that is wholly owned by participating countries; and

WHEREAS, INTELSAT was established to be, essentially, an international global monopoly for the carriage of telephone traffic by satellite; and

WHEREAS, the nature of this international monopoly allows for routes that have heavy traffic (like New York to London and Los Angeles to Tokyo) to subsidize routes (like the FSM) that have a much lighter volume of traffic; and

WHEREAS, this full subsidy, including equity participation in ownership of the satellite system, interest on contributed capital, and depreciation of assets, is only available to full members of INTELSAT; and

WHEREAS, the cost of using a middleman (the U.S. corporation COMSAT) to gain access to INTELSAT can be dispensed with should the Federated States of Micronesia become a member of INTELSAT; and

WHEREAS, the elimination of the middleman plus the
preferential rates of INTELSAT will represent significant
savings to the Nation; and

WHEREAS, the Operating Agreement allows a member to
designate a telecommunications entity (such as FSM Telecom or
U.S. COMSAT) as its representative to INTELSAT; and

WHEREAS, the Federated States of Micronesia
Telecommunications Corporation has formally requested that the
Federated States of Micronesia join INTELSAT and has officially
indicated that FSM Telecom will bear all expenses of joining,
purchasing a share, and participating in INTELSAT; now,

therefore,

BE IT RESOLVED by the Seventh Congress of the Federated
States of Micronesia, Third Regular Session, 1992, that pursuant
to section 2(b) of article IX of the Constitution of the
Federated States of Micronesia, the Congress hereby ratifies the
allied Agreements Relating to the International
Telecommunications Satellite Organization ("INTELSAT"); and

BE IT FURTHER RESOLVED that upon receipt of this resolution
the President of the Federated States of Micronesia shall lodge,
at the appropriate time, instruments of accession for both
Agreements with the Secretary of State of the United States, and
shall execute such instruments as are necessary to designate FSM
Telecom as the Federated States of Micronesia competent
authority and designated participating entity in INTELSAT; and
BE IT FURTHER RESOLVED that a certified copy of this resolution be transmitted to the President of the Federated States of Micronesia.

Date: 1/18/92

Introduced by: Joseph J. Urusemal (by request)