

FIFTH LEGISLATURE OF THE STATE OF CHUUK

SECOND REGULAR SESSION,
SECOND SPECIAL SESSION, DECEMBER, 2000

ACT NO: 5-42

AN ACT

To specifically authorize the Government of the State of Chuuk, pursuant to the provisions of Chuuk State Law No. 5-00-26 and in furtherance thereof, to obtain a Loan from the Bank of Hawaii and to specify the terms and conditions for such Loan, and for other purpose.

BE IT ENACTED BY THE CHUUK STATE LEGISLATURE:

1 Section 1. Authorization for Loan. Pursuant to Chuuk State Law No. 5-00-26,
2 the Governor of Chuuk is authorized to borrow, on behalf of the Government of the State
3 of Chuuk the principal amount U.S. FOUR MILLION DOLLARS (U.S.
4 \$4,000,000.00)("Loan") from the Bank of Hawaii for the public purposes set forth in
5 Chuuk Law State Law No. 5-00-26.

6 Section 2. Terms and Conditions. Except as may be otherwise provided in this
7 Act, the terms and conditions of the Loan shall be as determined by the Governor by
8 execution of a Loan agreement, promissory note, security agreement and other Loan
9 agreements as the Bank of Hawaii may require. Provided the Loan shall be secured by a
10 pledge and first lien upon a time certificate of deposit or other deposit dully established
11 by the State of Chuuk with the Bank of Hawaii, which deposit shall be in the principal
12 amount of U.S. FOUR MILLION DOLLARS (U.S. \$4,000,000.00) as authorized and
13 appropriated for public purposes pursuant to the provisions of Chuuk State Law No. 5-
14 00-38. The deposit shall be subject no lien or claim or encumbrance of any kind other
15 than the security interest of the Bank of Hawaii.

16 Section 3. Valid and Binding Obligations. The Loan authorized by Chuuk State
17 Law No. 5-00-26 as amended and confirmed by this Act shall constitute the valid and
18 binding general obligation of the Government of the State of Chuuk. The Government of
19 the State of Chuuk pledges its full faith and credit for the punctual payment of both
20 principal and interest on the Loan. There shall be collected annually in the same manner
21 and at the same time as Government revenue for other purposes is collected, such sum as
22 is required to pay the principal of and interest on the Loan and all officers charged by law

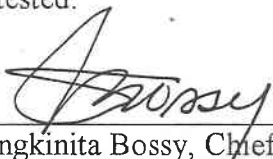
1 with any duty in the collection of the revenues of the Government shall do every lawful
2 thing necessary to collect such sum. The Government shall faithfully observe and
3 perform all the covenants, conditions and requirements of the Loan and with all Loan
4 agreements and Loan documents.

5 Section 4. Waiver of Immunity. Notwithstanding any substantive or procedural
6 provision of any other applicable law, the Government of the State of Chuuk hereby
7 waives immunity from any suit or action in contract on the Loan, and waives all
8 governmental immunity and sovereign immunity with respect to the Loan. Provided that
9 no elected official, officer, agent or employee of the Government shall be individually or
10 personally liable for payment of the principal or interest on the Loan, but nothing herein
11 contained shall relieve any such elected official, officer, agent or employee from the
12 performance of any official duty provided by law. The Government of the State of
13 Chuuk additional authorizes the Governor to waive any defense available under the U.S.
14 Foreign Sovereign Immunities Act, 28 U.S.C. Section 1602-1611 (1987), the Act of State
15 doctrine and any similar law. The Government of the State of Chuuk additionally
16 authorizes the Governor to consent to jurisdiction of the courts of the State of Hawaii or
17 of the United States Federal court sitting in the State of Hawaii over any action, suit or
18 proceeding arising out of or relating to the Loan.

19 Section 5. Conflict. This Act and its provisions shall prevail and control in the
20 event and to the extent of any inconsistency or conflict that may exist with any other
21 provision of law, including without limitation Chuuk State Laws No. 5-00-26, 5-00-38
22 and 5-00-39.

23 Section 6. Effective Date. This Act shall become effective upon approval by the
24 Governor or upon as otherwise becoming law without such approval

Attested:

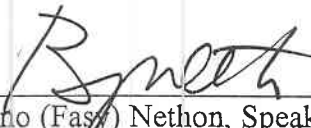

Songkinita Bossy, Chief Clerk
Senate
Chuuk State Legislature

Signed by:


Detor Santos, President
Chuuk State Legislature

Date: 02-01-01

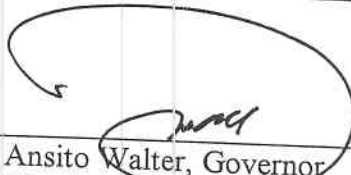
Signed by:


Bonciano (Fasy) Nethon, Speaker
House of Representatives
Chuuk State Legislature

Attested:

Herter Sorim
Herter Sorim, Chief Clerk
House of Representatives
Chuuk State Legislature

Date: 02/01/01

Approved by: 
Ansito Walter, Governor
Chuuk State Government

Date: 2/1/2001

History : S.B.NO: 5-94;SD1
S.S.C.R.NO: 5-2R-3S-02
H.S.C.R.NO: None

EW NAMOPWUNG

A affataochu mumutan an ewe Muun Chuuk, fiti pwungun masowen Annukun Chuuk State No. 5-00-26, ewe a affata an epwe wor ew Loan seni ewe Bank of Hawaii me an a pwan affata ussun annukun me napanapan ei Loan, me pwan ren ekkoch popun.

EPWE PWUNG MEREN EWE ANEEPWUNGUN CHUUK:

1 Tetten 1. Mumutaan Loan. Fiti pwungun Annukun Chuuk State No. 5-00-26,
2 ewe Governor non Chuuk iei a mumuta an epwe borrow, fan iten ewe Muun Chuuk State
3 ukukun "RUWANU MILLION CHALLA NON MWOONIEN U.S. (U.S.
4 \$4,000,000.00" ("Loan") seni ewe Bank of Hawaii fan ekkewe wewe a affat non
5 Annukun Chuuk State No. 5-00-26.

6 Tetten 2. Annukun me Napanapan. Tiwenon chok ika pwe epwe affat me non ei
7 annuk, napanapan me annukun ei Loan epwe affat meren ewe Governor non fansoun a
8 fori pwungun ewe taropwen atipeew fan itan ei Loan ewe Bank of Hawaii epwe mefi pwe
9 mei auchea an epwe kawor. Fengen me ewe Loan epwe anongonong won pwon me time
10 certificate of deposit ika ekkoch sakkun deposit epwe kawor seni ewe Muun Chuuk State
11 non ewe Bank of Hawaii, Main Branch Honolulu, Hawaii, United States, ewe epwe pwan
12 ukukun RUWANU MILLION CHALLA (U.S. \$4,000,000.00) ewe mumuta mei kawor
13 nounoun fiti pwungun Annukun Chuuk State No. 5-00-38. Ewe deposit esap wor claim
14 ika nounoun non ese nifinifin napanapan seni ewe Bank of Hawaii, tiwenoon chok ren
15 fan itan security.

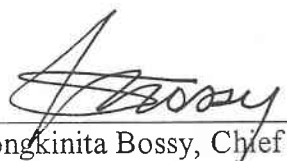
16 Tetten 3. Wisn me An Sekining. Ewe Loan a mumuta meren Annukun Chuuk
17 State No. 5-00-26 ussun a fen piin ekkesiwin me kopwunguno meren ei annuk a affata
18 wisn me auchean sekining an ewe Muun Chuuk State. Ewe Muun Chuuk State a pwon
19 non enletin tipe-wenechchar, fan itan mwittirin kamosefanin ewe Loan me manawan.
20 Epwe iooi iteitan ier ussun chok iooien me non chok ewe fansoun iooien moni tonong,
21 ewe ukukun epwe tongeni mooni ewe ukukun fan itan kmoon ewe Loan fergen me
22 manawan fiti pungun annuk. Ewe Government epwe asamonu pwungun meinisin kewe
23 atipeew me masowan kewe fan itan ewe Loan.

1 Tetten 4. Katanoon an Muun Kewe Epinonen Pwuung. Ewe Muun Chuuk State
 2 iei a nikitatiw meinisin an we epinonen pwuung an epwe tongeni fis kopwung ngeni fan
 3 iten ei atipeewin Loan. Nge esap chok wor emon nouwiis, agent ika chon angangen ewe
 4 Government epwe wisen anemwiri ewe sekining an Muun fan itan kamosefanin ewe
 5 Loan fengen me manawan ewe Loan, nge esap fan itan ei wewe, epwe epichano wisan
 6 emon souemwen nouwis ika agent-in ewe Government fan itan kamosefanin ewe Loan
 7 me manawan ewe Loan, ussun mei affat me fan pwungun annuk. Ewe Muun Chuuk
 8 State iei a pwan muut ngeni ewe Governor an epwe ataeno meinisin sakkun pochokkun
 9 mei kawor me fan pwungun ewe U.S. Foreign Sovereign Immunity Act, 28 U.S.C 1602-
 10 1611 (1987), ewe Act of State doctrine me met sakkun annuk mi nonno ngeni. Ewe
 11 Muun Chuuk State a pwan muut ngeni ewe Governor an epwe tipeew mut ngeni
 12 pochokunan ekkewe pochokkunan an ewe kapwung non State of Hawaii ika United
 13 States Federal court mi nom non Hawaii an epwe wisen mesemes won met sakkun
 14 angangen kapwung epwe tongeni fis fan iten ei Loan.

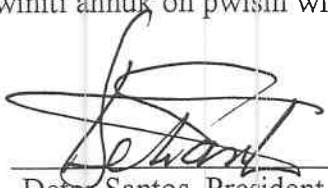
15 Tetten 5. Conflict. Ei annuk fengen me masowan epwe pochokkun me auwenam
 16 fansoun me non aukukun a wor opufengenin me pwan ew annuk, pachenong Chuuk State
 17 Law 5-00-26, 5-00-38 me 5-00-39.

18 Tetten 6. Poputan Pochokkunan. Ei annuk epwe poputa pochokkunan fansoun a
 19 kapwunguno meren ewe Governor ika fansoun chok a winiti annuk on pwisin winikapan.

Annetata:

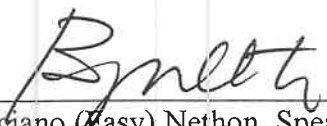


 Songkinita Bossy, Chief Clerk
 Senate
 Aneepwungun Chuuk

Sain seni: 


 Detor Santos, President
 Senate
 Aneepwungun Chuuk

Pwinin maram: 02-01-01

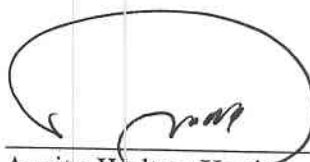
Sain seni: 

 Bonciano (Fasy) Nethon, Speaker
 Utten Representatives
 Aneepwungun Chuuk

Annetata:

for 
Herter Sorim, Chief Clerk
Utten Representatives
Aneepwungun Chuuk

Pwinin maram: 02/01/01

Kopwunguno seni: 
Ansito Walter, Kepina
Muun Chuuk

Pwinin maram: 2/1/2001

Uruwon: S.B.NO: 5-94;SD1
S.S.C.R.NO: 5-2R-3S-02
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