



WESLEY W. SIMINA  
GOVERNOR  
JOHNSON ELIMO  
LIEUTENANT GOVERNOR

## OFFICE OF THE GOVERNOR STATE OF CHUUK

Post Office BOX 189, STATE OF CHUUK, F.S.M. 96942  
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**COPY**  
*Date Rec'd*  
*7/10/09*  
*[Signature]*

July 1, 2009

**THE HONORABLE MARK MAILO**

President  
Senate  
10<sup>th</sup> Chuuk State Legislature  
Weno, Chuuk, FM 96942

**THE HONORABLE SINGKORO HARPER**

Speaker  
House of Representatives  
10<sup>th</sup> Chuuk State Legislature  
Weno, Chuuk, FM 96942

**RE: CSL NO. 10 - 09 - 02**

Dear President Santos and Speaker Harper:

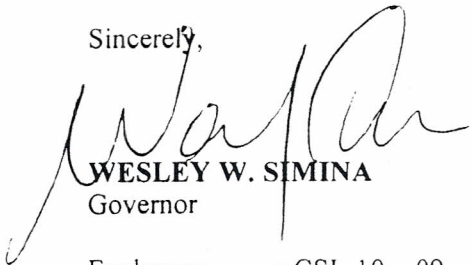
I am respectfully transmitting the attached Act 10 - 03 which I signed into a law and assigned the corresponding number as Chuuk State Law 10 - 09 - 02. The passage of this bill only shows our commitment to the essence of reform measures which the leadership of the FSM National Government and Chuuk State Government **agreed on July 17, 2007** in the Memorandum of Understanding (MOU). However, this fell **short of the MOU** since the shares of stocks as investments by Chuuk State in the Bank of the FSM was left in the said Act 10 - 03 contrary to what was originally requested and transmitted.

At any rate with this law, I can now proceed and negotiate the sale of the Chuuk State's investment in Bank of Guam which proceeds shall be deposited to the Debt Relief Fund as mandated and remain hopeful that under your able leadership you will consider also the disposition of the Chuuk State's investment at the Bank of FSM.

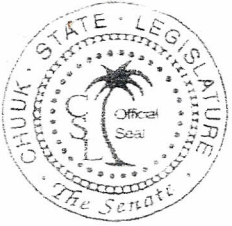
Good luck to all of us and more power.

Thank you and I remain.

Sincerely,

  
**WESLEY W. SIMINA**  
Governor

Enclosure : CSL 10 - 09 - 02



# TENTH CHUUK STATE LEGISLATURE

Office of the Senate Chief Clerk

P.O. Box 1050

Weno Island, Chuuk State

Federated States of Micronesia 96942

# COPY

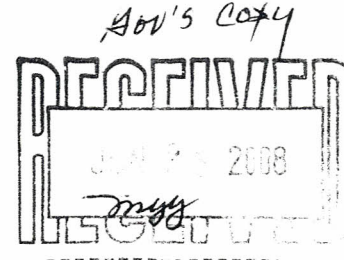
Phone: 330-4280

330-4284

Fax: 330-2669

June 24, 2009

The Honorable Wesley W. Simina  
Governor  
Chuuk State Government  
Weno Island, Chuuk State, FM #96942

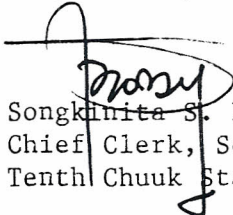


Dear Governor Simina:

I have the honor to transmit herewith Act. No. 10-03, entitled, "To authorize the Governor of Chuuk to divest, sell or liquidate any and all Chuuk state Government's investments funds in stocks or shares deposited in the Bank of Guam, and whatever amount as may be earned from such investment principal and interest for the purposes to be deposited in the Debt Relief Fund and for other purposes.", which was passed by Tenth Chuuk State Legislature, First Regular Session, April 2009, for your review and approval.

Thank you.

Respectfully,

  
Songkinita S. Bossy  
Chief Clerk, Senate  
Tenth Chuuk State Legislature

Attachments; ACT 10-03

## AN ACT

COPY

To authorize the Governor of Chuuk to divest, sell or liquidate any and all Chuuk State Government's investments funds in stocks or shares deposited in the Bank of Guam, and whatever amount as may be earned from such investment principal and interest for the purposes to be deposited in the Debt Relief Fund and for other purposes.

Be it enacted by the Chuuk State Legislature:

1           Section 1. Purposes. The purpose of this Act is to allow and authorize the Governor of  
2   Chuuk State to negotiate, transact, sell and dispose of all investments of Chuuk State in the Bank  
3   of Guam. Any net proceeds shall be deposited into the Debt Relief Fund as established by CSL  
4   No. 9-07-09.

5           Section 2. Findings. The State finds that:

6           (1) The State must initiate and implement cost savings measures as it faces less-than-  
7           anticipated local revenue collections and certain reductions and possible future  
8           termination of funds under the Compact of Free Association between the Federated  
9           States of Micronesia and the United States of America;

10          (2) The State must undertake to implement effective financial and structural reforms to  
11          maintain a sustainable and affordable government to serve the people of the State of  
12          Chuuk and other cost saving and cost reduction measures necessary to reduce and  
13          retire its outstanding financial obligations; and

14          (3) The State has substantial investments in Bank of Guam, and that these investments  
15          were identified by the Task Force on Structural and Financial Reforms as possible  
16          sources of revenue that will assist in the payment of Chuuk State outstanding  
17          financial obligations.

18          Section 3. Authorization. Notwithstanding any provision of CSL No. 3-95-28 to the  
19   contrary, for purposes of depositing the Chuuk State shares and/or stocks in Bank of Guam, the  
20   Governor of Chuuk is hereby authorize to make every effort necessary to divest, sell and or  
21   liquidate certain Chuuk State Government investments in shares and or stocks purchased, owned  
22   and invested by Chuuk State Government in the Bank of Guam. Any proceeds or liquidated sum  
23   or sums earned there from shall be for deemed available and earmarked for deposit into the Debt  
24   Relief Fund.



Section 4. Reporting. The Governor shall submit a report to the Legislature before October 30, 2010, which shall:

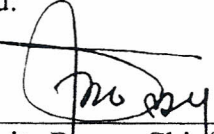
- a. Indicate the actual expenditure of the fund herein as of September 30, 2009; and
- b. Submit a report to the Legislature on or before April 15, 2010 detailing the fiscal report of the total fund earned for Chuuk State Government from such liquidation and divestment of Chuuk State investments in the Bank of Guam.

Section 5. Disposition of the Proceeds. Any and all net proceeds as part of the sale and, disposition of Chuuk State investments under this Act shall be deposited in the Debt Relief Fund for the purposes of that Fund.


Section 6. Act supersedes other laws. The provision of this Act shall supersede in their entirety any other provisions of any State laws and regulations that may be interpreted or applied as being inconsistent with any provisions of this Act.

Section 7. Effective Date. This Act shall take effect upon approval by the Governor or upon its becoming law without such approval.

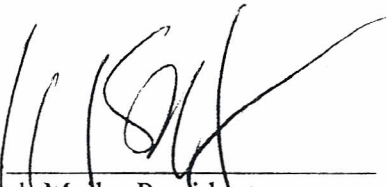
Attested:

  
Songkinita Bossy, Chief Clerk  
Senate  
Chuuk State Legislature

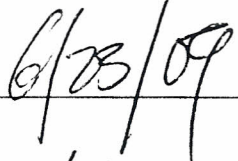
Attested:

  
Herter Sorim, Chief Clerk  
House of Representatives  
Chuuk State Legislature

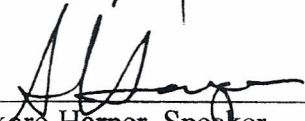
Signed by:

  
Mark Mailo, President  
Senate  
Chuuk State Legislature

Date:

  
6/23/09

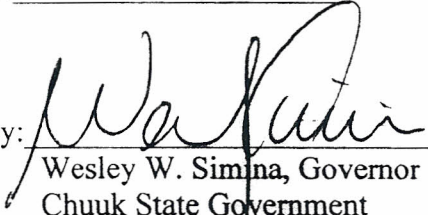
Signed by:

  
Singkoro Harper, Speaker  
House of Representatives  
Chuuk State Legislature

Date:

  
6/23/09

Approved by:

  
Wesley W. Simina, Governor  
Chuuk State Government

Date: June 25, 2009

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History : S.B.No: 10-08;SD1;H.D.1  
: S.S.C.R No:  
: H.S.C.R.No: 10-1R-03

## EW NAMOPWUNG

A ngeni ewe Kepina non Chuuk ewe pochokun an epwe ne tufichin amomo noun Chuuk ekewe sea (shares) me uweiawu sakopaten moni mi wor non ewe choking an ewe Muun Chuuk non ewe Bank of Guam iwe moni meinisin mi feito seni ei annuk epwe iseiseno non ewe Debt Relief Funds, me pwan ren ekkoch popun.

Epwe pwung me ren ewe Aneepwungun Chuuk:

1           Tetten 1. Popun. Popun ei Annuk epwe mutata me ngeni ewe Kepina ewe  
2   pochokun an epwe apungupung won tufich amomonon noun Chuuk kewe sea (shares)  
3   non ewe Bank of Guam, epwe pwan uweiawu monien me manawen an kewe isoais  
4   (Investments) meinisin. Iwe meinisin moni mi feito seni ei angangen etipew ika  
5   apungupung epwe nukunukuno non ewe Debt Relief Fund usun mi afat non anukun  
6   Chuuk State No. 9-07-09.

7           Tetten 2. Kunaen. Ewe Muun Chuuk a kuna pwe:

8                   (1) Ewe Muun Chuuk epwe poputani ne mokutukut won anen an epwe  
9                   nounou och ika asochisi nounoun moni non ei fansoun mi kuna  
10                  kukununon monien takesis (local revenue) me kukununon ika fen  
11                  kamonon monien ika moni mi kawor fan nurun ewe Compact of Free  
12                  Association nefinen ewe mwun FSM me United States of America;

13                  (2) Ewe Mwun Chuuk epwe wesetan awora me anganga ekkewe  
14                  angangen asochisi nounoun moni pwe ewe Muu epwe tongeni tufichin  
15                  anisi noun kewe aramas me awora pakingin an kewe niwinimang  
16                  meinisin; me

17                  (3) Ewe Muun Chuuk mi watte noun moni mi isoais non ewe Bank of  
18                  Guam, iwe ewe Task Force on Structural and Financial Reform a kuna  
19                  pwe ei moni mi tufichin anounou an epwe anisi ne omusa an ewe  
20                  Mwun Chuuk kewe niwinimang.

21           Tetten 3. Pochokunan. Ina mo ika mi wor masowen non ewe Anukun Chuuk NO.  
22   3-95-28, mi ungeni, ren an epwe isoais noun Chuuk kewe sea (shares) ika taropwen moni  
23   (stocks) non ewe Bank of Guam, ewe Kepina non Chuuk iei a wor ren ewe pochokun an  
24   epwe aea an sinenap an epwe amomo, angei sefani (liquidate) met masowen an ewe

1 Muun Chuuk iwe choking ren monien noun kewe sea (shares) me "stocks" mi  
2 isois non ewe Bank of Guam. Iwe moni meinsin mi feito seni ei angang me kawor fan  
3 nurun ei annuk esap nounou ngeni och sakkun mettoch, nukun chok an epwe iseiseno non  
4 ewe Debt Relief Fund.

5 Tetten 4. Repotun. Ewe Kepina epwe tinano an repot ngeni ewe Aneepwungun  
6 Chuuk me mwen October 30, 2010, epwe:

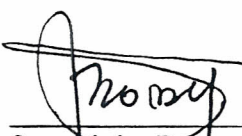
7 a) Afata uukun moni mi anounou-no me mwen September 30, 2009; me  
8 b) Tinano an repot ngeni ewe Aneepwungun Chuuk me mwen April 15, 2010,  
9 epwe tichiki ukukun moni mi wor ika kawor seni ei angangen amomo  
10 "shares" me "stock" noun ewe Muun Chuuk mi isois non ewe Bank of Guam.

11 Tetten 5. Nounoun Moni Mi Kawor Seni non Annuk. Meinsin moni mi feito ika  
12 kawor fan nurun ei Annuk epwe iseiseno non ewe Debt Relief Fund ren met popun mi  
13 afatafat.

14 Tetten 6. Pochokunen me Owenaman. Ei Annuk epwe ouwenam seni Annukun  
15 Chuuk meinsin mi nikinikin ungeni masowen non ei Annuk.

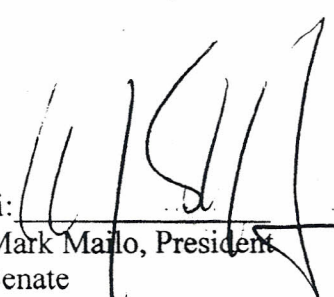
16 Tetten 7. Poputan Pochokunan. Ei Annuk epwe poputa pochokunan fansoun  
17 chok ewe Kepina a apungano ika fansoun chok a winita annuk won winikapan.

Annetata:

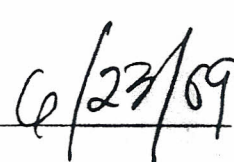


Songkinita Bossy, Chief Clerk  
Senate  
Aneepwungun Chuuk

Sani seni:

  
Mark Mailo, President  
Senate  
Aneepwungun Chuuk

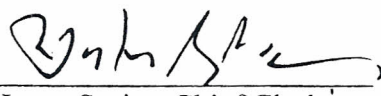
Pwinin maram:



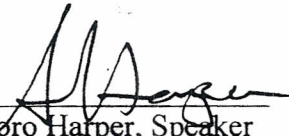


NAMOPWUNG NO: 10-03

Annetata:

  
Herter Sorim, Chief Clerk  
Utten Representatives  
Aneepwungun Chuuk

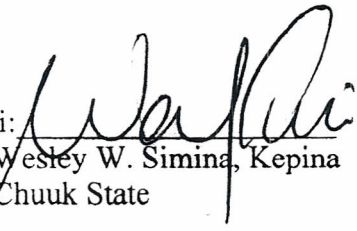
Sain seni:

  
Singkoro Harper, Speaker  
Utten Representatives  
Aneepwungun Chuuk

Pwinin maram:

6/23/09

Kapunguno seni:

  
Wesley W. Simina, Kepina  
Chuuk State

Pwinin maram:

June 25, 2009

Uruo

: S.B.No: 10-08;SD1;H.D.1  
: S.S.C.R.No:  
: H.S.C.R.No: 10-1R-03