

A RESOLUTION

Requesting the President of the Federated States of Micronesia to ensure that a Director serving on the Boards of both the Bank of the FSM and the FSM Development must resign from one of the two Boards.

1           WHEREAS, the FSM National Government, a shareholder of the  
2 stock in the Bank of the Federated States of Micronesia, is  
3 represented on the Board of Directors of the Bank of the Federated  
4 States of Micronesia; and

5           WHEREAS, the FSM National Government, a shareholder of stock  
6 in the FSM Development Bank, is represented on the Board of  
7 Directors of the FSM Development Bank; and

8           WHEREAS, the President of the Federated States of Micronesia  
9 nominates the Federated States of Micronesia representative to be  
10 elected on the Board of Directors of the Bank of the Federated  
11 States of Micronesia; and

12           WHEREAS, the President of the Federated States of Micronesia  
13 nominates the Federated States of Micronesia representative to be  
14 elected on the Board of Directors of the FSM Development Bank; and

15           WHEREAS, the Congress of the Federated States of Micronesia  
16 deems that it is a conflict of interest for a director to serve on  
17 the Boards of both the FSM Development Bank and the Bank of the  
18 FSM, now, therefore,

19           BE IT RESOLVED, that the Fourteenth Congress of the Federated  
20 States of Micronesia, Sixth Regular Session, 2007, hereby requests

1 that the President ensure that any Director serving on the Boards  
2 of both the Bank of the FSM and the FSM Development must resign  
3 from one of the two Boards;

4 BE IT FURTHER RESOLVED, that the Fourteenth Congress of the  
5 Federated States of Micronesia, Sixth Regular Session, 2007,  
6 hereby requests that the President of the Federated States of  
7 Micronesia ensure that the resignation of such director is  
8 promptly undertaken;

9 BE IT FURTHER RESOLVED, that certified copies of this  
10 resolution be transmitted to the President of the Federated States  
11 of Micronesia, the President of the Bank of the Federated States  
12 of Micronesia, the Chief Executive Officer of the FSM Development  
13 Bank, the Secretary of the Department of FSM Department of Finance  
14 and Administration, and the Governor of each FSM State.

15

16 Date: 1/18/07

Introduced by: /s/ Simiram Sipenuk  
Simiram Sipenuk

17

18

19

20

21

22

23

24