

AN ACT

To further amend title 36 of the Code of the Federated States of Micronesia, as amended by Public Law No. 7-88, by adding a new section 105 to require that any corporation must permit shareholders to vote by proxy, by renumbering sections 105 through 107, and for other purposes.

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

Section 1. Title 36 of the Code of the Federated States of Micronesia is hereby amended by adding a new section 105 to read as follows:

"Section 105. Voting at meetings.

(1) At any meeting of any corporation, it shall be unlawful for the members or shareholders to prohibit any member or shareholder who is otherwise qualified to vote, to vote either in person or by proxy.

(2) A personal representative, guardian or trustee may vote, in person or by proxy, the stock of any corporation held by him in such capacity at all meetings of the corporation whether or not the stock has been transferred into his name on the books of the corporation; but, in case the stock has not been so transferred into his name, he shall, as a prerequisite to so voting, if the corporation so requires, file with the corporation a certified copy of his letters or proxy statement as such personal representative or guardian or his appointment or authority as trustee."

Section 2. Sections 105, 106 and 107 of title 36 of the Code of the Federated States of Micronesia are hereby renumbered as sections 106, 107 and 108, respectively.

Section 3. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

July 21, 1998

/s/ Jacob Nena  
Jacob Nena  
President  
Federated States of Micronesia