

## AN ACT

To further amend title 4 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 3-3 and 3-40, by repealing section 204 in its entirety and enacting a new section 204 in lieu thereof for the purpose of establishing provisions for service of process outside the territorial jurisdiction of the Supreme Court of the Federated States of Micronesia, and for other purposes.

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

1 Section 1. Section 204 of title 4 of the Code of the Federated  
2 States of Micronesia is hereby repealed in its entirety and a new  
3 section 204 is hereby enacted to read as follows:

4 "Section 204. Service of process outside the territorial  
5 jurisdiction of the Supreme Court.

6 (1) Any person, corporation, or legal entity, whether  
7 or not a citizen or resident of the Federated States of  
8 Micronesia, who in person or through an agent does any of  
9 the acts enumerated in this section, thereby submits  
10 himself or its personal representative to the personal  
11 jurisdiction of the Supreme Court of the Federated States  
12 of Micronesia as to any cause of action arising from:

13 (a) The transaction of any business within the  
14 Federated States of Micronesia;

15 (b) The operation of a motor vehicle within the  
16 Federated States of Micronesia;

17 (c) The operation of a vessel or craft within  
18 the territorial waters or airspace of the Federated States  
19 of Micronesia;

20 (d) Fishing or otherwise harvesting resources  
21 within the extended fishery zone of the Federated States of  
22 Micronesia;

1 (e) The commission of a tortious act within the  
2 Federated States of Micronesia;

3 (f) Contracting to insure any person, property,  
4 or risk located within the Federated States of Micronesia at  
5 the time of contracting;

6 (g) The ownership, use, or possession of any real  
7 estate within the Federated States of Micronesia;

8 (h) Entering into an express or implied contract,  
9 by mail or otherwise, with a resident of the Federated  
10 States of Micronesia to be performed in whole or in part by  
11 either party in the Federated States of Micronesia;

12 (i) Acting within the Federated States of  
13 Micronesia as director, manager, trustee, or other officer  
14 of any corporation organized under the laws of or having a  
15 place of business within the Federated States of Micro-  
16 nesia, or as executor or administrator of any estate within  
17 the Federated States of Micronesia;

18 (j) Causing injury to persons or property within  
19 the Federated States of Micronesia arising out of an act or  
20 omission outside of the Federated States of Micronesia by  
21 the defendant, provided in addition, that at the time of  
22 the injury either:

23 (i) The defendant was engaged in the  
24 solicitation or sales activities within the Federated  
25 States of Micronesia; or

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1 (ii) Products, materials, or things  
2 processed, serviced, or manufactured by the defendant  
3 anywhere were used or consumed within the Federated States  
4 of Micronesia; and

5 (k) Living in the marital relationship within  
6 the Federated States of Micronesia notwithstanding  
7 subsequent departure from the Federated States of  
8 Micronesia, as to all obligations arising for alimony,  
9 child support or property rights under orders issued by the  
10 Supreme Court in an action for divorce or annulment between  
11 the two parties to the marital relationship, if the other  
12 party to the marital relationship continues to reside in  
13 the Federated States of Micronesia.

14 (2) Service of process may be made upon any person  
15 subject to the jurisdiction of the Supreme Court under this  
16 section by personally serving the summons upon the  
17 defendant outside the Federated States of Micronesia. Such  
18 service has the same force and effect as though service had  
19 been personally made within the Federated States of  
20 Micronesia.

21 (3) Service of summons shall be made under this  
22 section in like manner as service within the Federated  
23 States of Micronesia by any officer or person authorized to  
24 make service of summons in the State or jurisdiction where  
25 the defendant is served. An affidavit of the server shall

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1 be filed with the court issuing said summons stating the  
2 time, manner, and place of service. The court may consider  
3 the affidavit or any other competent proofs in determining  
4 whether service has been properly made. No default shall  
5 be entered until the expiration of at least 30 days  
6 after service. A default judgment rendered on service made  
7 under this section may be set aside only on a showing which  
8 would be timely and sufficient to set aside a default  
9 judgment entered upon personal service within the Federated  
10 States of Micronesia.

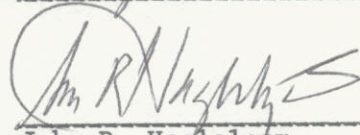
11 (4) Nothing contained in this section limits or  
12 affects the right to serve any process in any other manner  
13 now or hereafter provided by law."

14 Section 2. Nothing in this act shall be construed to expand the  
15 existing subject matter jurisdiction of the Supreme Court of the  
16 Federated States of Micronesia.

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

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August 20th, 1987



John R. Haglelgam  
President  
Federated States of Micronesia

