

July 31, 1970 $\frac{04}{2}$

INDEX

MARIANAS PUBLIC LAND CORPORATION

- Tab 1: MEMORANDUM -- Summary of the Proposal to Organize a Non-profit Corporation to Receive the Public Lands of the Mariana Islands.
- Tab 2: Exhibit A -- Proposed Articles of Incorporation of the Marianas Public Land Corporation.
- Tab 3: Exhibit B -- Memorandum -- Proposed Articles of Incorporation.
- Tab 4: Exhibit C -- Resolution Stating the Positions of the People of the Mariana Islands District with Respect to Public Lands Located Therein together with explanatory memorandum.
- Tab 5: Trust Policy Guidelines.

DRAFT
July 31, 1974

ARTICLES OF INCORPORATION
OF
MARIANAS PUBLIC LAND CORPORATION

We, the undersigned natural persons of the age of twenty-one years, citizens of the Trust Territory of the Pacific Islands and residents of the administrative district of the Mariana Islands, do hereby associate ourselves as incorporators for the purpose of forming a non-profit corporation under and by virtue of the Trust Territory Code and do hereby certify as follows:

ARTICLE I.

Section 1.01. The name of the corporation is Marianas Public Land Corporation (hereinafter called the Corporation).

ARTICLE II.

Section 2.01. The period of duration of the Corporation is perpetual. Corporate existence shall commence on the date of issuance of the charter by the High Commissioner of the Trust Territory of the Pacific Islands.

provide that any two or more offices may be held by the same person, except the offices of president and secretary. The duties and responsibilities of the officers of the Corporation shall be described in the By-laws of the Corporation.

(b) The president of the Corporation shall be ex officio a member of the Board of Directors.

(c) The Officers of the Corporation may be designated by such additional titles as may be provided in the By-laws of the Corporation or in resolutions adopted by the Board of Directors or the Members.

ARTICLE VIII.

Section 8.01. The Corporation has been organized by representatives of the people of the Mariana Islands to receive and administer the Trust Lands in trust for the people, all as contemplated by the Public Land Policy Statement [and the mandate of the chartered district legislature of the Mariana Islands]. The Corporation shall receive, hold, administer and develop the Trust Lands for the benefit of the people. ^ The Members, Directors and Officers of the Corporation shall be bound to the duty of undivided loyalty that prohibits transactions that involve conflicts of

interest or self-dealing and the duty to exercise that degree of care and skill in administering the Trust Lands that a prudent man in the position of the Member, Director or Officer management of his own property.

Section 8.02. The Trust Lands are the most valuable physical asset of the people of the Mariana Islands. The Corporation recognizes that a government organized pursuant to a constitution ratified by the people of the Mariana Islands may require that all right, title and interest in and to the Trust Lands then held by the Corporation be transferred in accordance with the provision of Section 11.02 of these Articles.

Section 8.03. The Interim Directors of the Corporation shall propose to the Members at the first meeting policy guidelines setting forth limitations on land dispositions and outlining the procedures to be followed in connection therewith (hereinafter called the Trust Policy Guidelines). The proposed Trust Policy Guidelines shall be published in a newspaper of general circulation in the Mariana Islands once each week for three successive weeks prior to the first meeting, and the Interim Directors shall seek, compile and present to the Members at the first

text of the proposed amendment and a summary of the comments received have been sent to Members. Amendment of the Trust Policy Guidelines shall require the affirmative vote of 75% of the Members.

Section 8.04. Anything in the Trust Policy Guidelines to the contrary notwithstanding, the Corporation and its Members, Directors and Officers shall deal with the Trust Lands with the goal of conserving the Trust Lands and the revenues derived therefrom for the people. To that end, the Corporation:

(a) shall have the power, subject to satisfaction of the procedural requirements, if any, of the Trust Policy Guidelines to transfer all its right, title and interest in and to any portion of the Trust Lands to any governmental unit or agency for any public purpose;

(b) shall have the power to establish general land development programs, including a homesteading program, and to transfer to persons eligible to participate in such program all its right, title and interest in and to any part of the Trust Lands set aside for such program;

(c) shall not have the power to transfer fee title to any portion of the Trust Lands except pursuant to paragraphs (a) and (b) of this Section;

(d) shall have the power to enter into an agreement with the United States Government formally committing the Corporation to lease any portion of the Trust Lands required to meet the terms of an agreement governing the future status of the Mariana Islands approved by the people of the Mariana Islands; and

(e) shall not have the power to enter into any lease or agreement respecting the Trust Lands which could be renewed in perpetuity.

Section 8.05. The Corporation shall collect all rents, royalties, use and license fees and other revenues derived from the Trust Lands. The Corporation shall pay all its expenses out of any funds available to the Corporation, including revenues derived from the Trust Lands. The Corporation shall appoint a firm of independent certified public accountants to audit its books and records and to certify its financial statements. Within ninety days after the end of each fiscal year, the Corporation shall submit to its Members a balance sheet and statement of operations, certified by such auditors, that fairly and accurately present the financial condition of the Corporation and the results of its operations. The Corporation's financial statements shall be published once each week for two consecutive weeks in a newspaper of general circulation in the Mariana Islands.