



Third Northern Mariana Islands Constitutional Convention -1555-

Delegate Proposal No. 614

Date: July 10, 1995

It is proposed that a constitutional amendment be prepared that does the following:

This amends Section 5 of Article XII to read as follows:

1. A corporation shall be considered to be a person of Northern Marianas descent so long as it is incorporated in the Commonwealth, has its principal place of business in the Commonwealth, has directors one-hundred percent of whom are persons of Northern Marianas descent and has voting shares (i.e. common or preferred) one-hundred percent of which are actually owned by persons of Northern Marianas descent as defined by Section 4. Minors, as defined by applicable laws of the Commonwealth, may not be eligible to become directors of a corporation. No trusts or voting by proxy by persons not of Northern Marianas descent may be permitted.

2. If according to the corporation's books and records, the corporation met the four objective criteria of Section 5, as it read at the time of the acquisition, no additional criteria shall be considered and the corporation's acquisition of a permanent or long-term interest in real property in the Commonwealth shall not be deemed to have violated Article XII for any reason, including but not limited to the manner in which the corporation conducts or conducted its internal operations, any control test, any trust theory, any agency theory or any alter ego or "sham corporation" test.

Submitted by: *Herman I. Guerrero*
Delegate HERMAN I. GUERRERO

(Proposal received from ARNIA
K.SCHULTZ, and submitted as a courtesy
for consideration by the delegates.)

CONSTITUTIONAL ARTICLES THAT WOULD BE AMENDED: ART. XII

CONSTITUTIONAL ARTICLES THAT WOULD BE AFFECTED: None