

**EXECUTIVE ORDER NO. 11**  
[repealed by Executive Order 200]  
*Administrative Appointment of Receiver for  
Palau Federation of Fishing Associations*

**WHEREAS**, there is sufficient evidence to indicate that Palau Federation of Fishing Associations is now insolvent; and

**WHEREAS**, Palau fishermen from 11 different states are, by the terms of their charter party agreement for fishing boats used by them, required to sell their catch to Palau Federation of Fishing Associations; and

**WHEREAS**, Palau Federation of Fishing Associations has continued to receive fish caught by fishermen but has been unable to make cash payments to individual fishermen for their catches; and

**WHEREAS**, continued accumulation of debts owed by Palau Federation of Fishing Associations to fishermen will discourage fishermen from fishing due to lack of funds to maintain and operate fishing boats as well as to meet their monthly obligations under their charter party agreement; and

**WHEREAS**, the development of commercial fishing as an industry and fishery related activities is considered a necessary economic base for the development of Palau as well as for the very livelihood of small-scale Palauan fishermen: and

**WHEREAS**, condition 4 of the Charter of Incorporation issued to Palau Federation of Fishing Associations on July 16, 1974, provides the following:

“If at any time an inspection of the books and records of the corporation by an authorized representative of the Government or by the Registrar of Corporations of the Trust Territory, reveals impairment of capital or management practices endangering the solvency of the corporation, the High Commissioner may take such steps as are necessary to protect the equities of creditors and stockholders, including the appointment of a receiver and dissolution of the corporation;” and

**WHEREAS**, Public Law No. 7-7-8 in Section 5 creates a seven-member Board of Directors of Palau Fishing Authority vested with the authority, among other things, to promote, develop, and support commercial utilization of living marine resources within the area landward of the inner boundary of the Territorial Sea; and

**WHEREAS**, Public Law No. 7-8-7 in Section 2, and as implemented by a series of transfer of Functions Agreements, empowers the President of the Republic of Palau to accept and perform executive functions transferred from the Government of the Trust Territory of the Pacific Islands to the Republic of Palau; and

**WHEREAS**, it is in the best interest of the fishermen, creditors, stockholders of the Palau Federation of Fishing Association and each chartered fishing cooperative and the people of Palau that a receiver be administratively appointed to protect the equities of all parties concerned and to ensure continued development of fishing as an industry and other fishery-related activities;

**NOW, THEREFORE**, I, Haruo I. Remeliik, President of the Republic of Palau, pursuant to authority vested in me by law and the corporate charter, hereby declare Palau Federation of Fishing Associations to be in a state of insolvency and therefore place said association in receivership and appoint the chairman of the Board of Directors of Palau Fishing Authority, Mr. Polycarp Basilius or his designee as receiver with full authority to act in the best interests of all parties concerned and to make monthly reports to the Minister of National Resources as to the affairs of said association. This administrative appointment of receiver for Palau Federation of Fishing Association shall remain in effect until otherwise rescinded or repealed by subsequent order.

**IN WITNESS WHEREOF**, I have hereunto set my hand and seal this 25<sup>th</sup> day of February, 1983.

Haruo I. Remeliik  
President  
Republic of Palau