Name of Lender

Mailing Address

Phone:

Email:

Date

Name of Lender

Mailing Address

Re: Lender’s Title Insurance Notice of Defect in the Mortgage

To Whom It May Concern:

In accordance with the lender’s title insurance policy that [*insert* I *or* we] purchased for your company’s protection should there be a defect in [*insert* my *or* our] our mortgage, [*insert* I am *or* we are] notifying you of the defect and loss in [*insert* my *or* our] title, which renders the mortgage, as security, defective. By virtue of this notice, you are obligated to file a notice of claim under the lender’s title insurance policy. Prior to escrow closing, your company required that [*insert* I *or* we] purchase for the protection a lender’s policy of title insurance. [*insert* I *or* We] paid the premium for you to be the beneficiary of the lender’s policy.

Based on the following information that has come to [*insert* my *or* our] attention, [*insert* I *or* we] appear to have a defect and loss of title because of the unlawful overthrow of the government of the Hawaiian Kingdom by the United States on January 17, 1893, and the restoration of the government, by a Regency, on February 28, 1997.[[1]](#footnote-1)

International law distinguishes between the State and the government representing the State.[[2]](#footnote-2) What was unlawfully overthrown by the United States on January 17, 1893, was the government of the Hawaiian Kingdom, but not the Hawaiian Kingdom as a State together with its laws that regulate the conveyance of real property. The information whereby [*insert* I *or* we] became aware of a defect and loss of title include:

1. Royal Commission of Inquiry, *Preliminary Report—Legal Status of Land Titles throughout the Realm* (July 16, 2020) (online at: <https://hawaiiankingdom.org/pdf/RCI_Preliminary_Report_Land_Titles.pdf>);
2. Royal Commission of Inquiry, *Supplemental Report—Title Insurance* (October 28, 2020) (online at: <https://hawaiiankingdom.org/pdf/RCI_Supp_Report_Title_Insurance.pdf>);
3. Royal Commission of Inquiry, Letter to Bill Burding, President-Elect, ALTA Board of Directors (July 20, 2020) (online at: [https://hawaiiankingdom.org/pdf/RCI\_Ltr\_to\_ALTA\_(7.20.20).pdf](https://hawaiiankingdom.org/pdf/RCI_Ltr_to_ALTA_%287.20.20%29.pdf)).
4. Royal Commission of Inquiry, *Preliminary Report*—The *Lorenzo* doctrine on the Continuity of the Hawaiian Kingdom as a State (June 7, 2022) (online at: <https://hawaiiankingdom.org/pdf/RCI_Preliminary_Report_Lorenzo_Doctrine.pdf>).

Proof of loss is the Council of Regency’s *Proclamation—Reclaiming Sovereignty and Titles to Real Estate Invalid* (August 21, 2013) (online at: <https://hawaiiankingdom.org/pdf/Proc_Reclaiming_Sovereignty.pdf>), which states:

1. The laws are obligatory upon all persons, whether subjects of this kingdom, or citizens or subjects of any foreign State, while within the limits of this kingdom, except so far as exception is made by the laws of nations in respect to Ambassadors or others. The property of all such persons, while such property is within the territorial jurisdiction of this kingdom, is also subject to the laws (§6, Civil Code). The Hawaiian Civil Code, Penal Code and 1884 and 1886 Session laws can be accessed online at <https://hawaiiankingdom.org/constitutional-history.shtml>.
2. The *acting* government of the Hawaiian Kingdom reclaims its sovereignty over all property within the territorial jurisdiction of this kingdom by virtue of its special customary right to represent the Hawaiian State during an illegal and prolonged occupation by the United States of America.
3. As a result of Hawaiian law not being complied with since January 17, 1893, all titles to real estate within the territorial jurisdiction of this kingdom are invalid and void for want of a competent notary public and registrar for the Bureau of Conveyances (§1249, §1254, §1255, §1262, §1263, §1267, Civil Code). Remedy for these defects will take place in accordance with Hawaiian Kingdom law and the international law of occupation.

Since 1994, the State of Hawai‘i courts have applied, whenever the issue of the Hawaiian Kingdom’s continued existence as a State arose in court proceedings, the *State of Hawai‘i v. Lorenzo* case at the Intermediate Court of Appeals (ICA), which has come to be known as the *Lorenzo* doctrine in the federal courts. For 28 years, both the State of Hawai‘i courts and the federal courts have been applying the *Lorenzo* doctrine wrong. Under international law, which the ICA acknowledged may affect its rationale of placing the burden on the defendant to prove the Hawaiian Kingdom “exists as a State,” shifts the burden on the party opposing the continued existence of the Hawaiian Kingdom that it “does not exist as a State.” In international arbitration proceedings at the Permanent Court of Arbitration from 1999-2001, *in Larsen v. Hawaiian Kingdom*, PCA case no. 1999-01,[[3]](#footnote-3) the PCA acknowledged the Hawaiian Kingdom continues to exist as a State and the Council of Regency as its government.[[4]](#footnote-4)

The *Lorenzo* doctrine, as explained in the Royal Commission of Inquiry’s *Preliminary Report—The Lorenzo doctrine on the Continuity of the Hawaiian Kingdom as a State*, acknowledges the continued existence of the Hawaiian Kingdom as a State and its direct impact on title insurance. According to the Royal Commission of Inquiry:

In a denial letter to a title insurance claimant, Michael J. Moss, Senior Claims Counsel for Chicago Title Insurance Company, specifically referenced the *Lorenzo* principle applied in two State of Hawai‘i court cases and one federal court case as a basis to decline the insurance claim under an owner’s title insurance policy in the amount of $178,000.00. Moss stated:

[T]he Hawaiian Courts have consistently found that the Kingdom of Hawai‘i is no longer recognized as a sovereign state by either the federal government or by the State of Hawai‘i. See State v. Lorenzo, 77 Hawai‘i 219, 221, 883 P.2d 641, 643 (Haw.App.1994); accord State v. French, 77 Hawai‘i 222, 228, 883 P.2d 644, 649 (Haw.App.1994); Baker v. Stehua, CIV 09-00615 ACK-BMK, 2010 WL 3528987 (D. Haw. Sept. 8, 2010).

Like the courts of the State of Hawai‘i and the federal courts, the Senior Claims Counsel incorrectly applied the *Lorenzo* doctrine, which should have been in favor of the title insurance claimant. The title insurance claim was that the “[o]wner’s deed was not lawfully executed according to Hawaiian Kingdom law [because] the notaries public and the Bureau of Conveyance weren’t part of the Hawaii[an] Kingdom, that the documents in [the claimant’s] chain of title were not lawfully executed.” These are covered risks under the title insurance policy. Under the *Lorenzo* doctrine, the State of Hawai‘i is not a lawful entity, and, therefore, its notaries public and the Bureau of Conveyance are unlawful.[[5]](#footnote-5)

The *Lorenzo* doctrine also renders the State of Hawai‘i and its courts as being unlawful. As the Royal Commission of Inquiry stated:

A proper application of the *Lorenzo* doctrine also renders the entire State of Hawai‘i and its Counties as unlawful under international law. As the *Lorenzo* Court acknowledged, the “illegal overthrow leaves open the question whether the present governance system should be recognized.” If the *Lorenzo* Court applied international law, it would have answered its own question in the negative as to “whether the present governance system should be recognized,” and that a “state has an obligation not to recognize or treat as a state an entity that has attained the qualifications for statehood as a result of a threat or use of armed force.” In other words, the State of Hawai‘i cannot be recognized as a State of the United States, which arose as a result of a threat of armed force by the United States against the Hawaiian Kingdom.

*Threat of Armed Force by the United States against the Hawaiian Kingdom*

In 1893, President Grover Cleveland concluded that the provisional government, which is a predecessor of the State of Hawai‘i, “owes its existence to an armed invasion by the United States.” Secretary of State Walter Gresham stated, the “Government of Hawaii surrendered its authority under a threat of war, until such time only as the Government of the United States, upon the facts being presented to it, should reinstate the constitutional sovereign (emphasis added).”

The President did not “reinstate the constitutional sovereign,” which allowed the insurgency to rename themselves from the provisional government to the so-called Republic of Hawai‘i on 4 July 1894. The Congress renamed the Republic of Hawai‘i to the Territory of Hawai‘i under *An* *Act To provide a government for the Territory of Hawai‘i*, which states that the “‘laws of Hawaii,’ as used in this Act without qualifying words, shall mean the constitution and laws of the Republic of Hawaii.” The Congress later renamed the Territory of Hawai‘i to the State of Hawai‘i under *An Act To provide for the admission of the State of Hawaii into the Union*. Therefore, all Courts of the provisional government, the Republic of Hawai‘i, the Territory of Hawai‘i, the State of Hawai‘i, and the United States District Court for the District of Hawai‘i are unlawful pursuant to international law and the *Lorenzo* doctrine when international law is appropriately applied. Consequently, every judgment, order and decree that emanated from these Courts are *void ab initio*—having no legal effect from inception.[[6]](#footnote-6)

If your title insurance company is not able to remedy [*insert* my *or* our] defect in title and consequently the mortgage lien, [*insert* I *or* we] expect the insurance company to pay or tender payment of the full amount of insurance covering the remaining debt that [*insert* I *or* we] owe within thirty days.[[7]](#footnote-7) According to *Falmouth National Bank v. Ticor Title Insurance Company*, “a mortgagee-insured’s loss cannot be determined unless the note is not repaid and the security for the mortgage proves inadequate. …, [and] it is not the mortgage note that is insured, but rather, what is insured is the loss resulting from a defect in the security.”[[8]](#footnote-8)

As of the date of this letter [*insert* I *or* we] will refrain from making [*insert* my *or* our] monthly payments on the loan in order for you to file the insurance claim by claiming a loss. [*insert* I *or* We] understand that [*insert* I am *or* we are] obligated under the provisions of the loan to make [*insert* my *or* our] monthly payments, but according to the *Falmouth National Bank* case you cannot claim a loss under the lender’s policy unless you are not receiving the monthly payments. The other problem [*insert* I *or* we] see is that if [*insert* I *or* we] keep making the payments on the loan [*insert* I *or* we] can’t recover that money under the insurance policy because it only covers the debt [*insert* I *or* we] owe. [*insert* My *or* Our] monthly payments reduce the debt and coverage under the lender’s policy [*insert* I *or* we] purchased as a condition of the loan. When the insurance has remedied the defect in our title and, consequently, the mortgage lien, [*insert* I *or* we] will make the monthly payments under the loan agreement.

Sincerely,

[Name of Policy Holder]

1. David Keanu Sai, “Royal Commission of Inquiry,” in David Keanu Sai, ed., *The Royal Commission of Inquiry: Investigating War Crimes and Human Rights Violations Committed in the Hawaiian Kingdom* 18-23 (2020) (online at: [https://hawaiiankingdom.org/pdf/Hawaiian\_Royal\_Commission\_of\_Inquiry\_(2020).pdf](https://hawaiiankingdom.org/pdf/Hawaiian_Royal_Commission_of_Inquiry_%282020%29.pdf)). [↑](#footnote-ref-1)
2. *Restatement (Third) of the Foreign Relations Law of the United States*, §201 (1987). [↑](#footnote-ref-2)
3. *Larsen v. Hawaiian Kingdom*, PCA Case no. 1999-01 (<https://pca-cpa.org/en/cases/35/>). [↑](#footnote-ref-3)
4. Federico Lenzerini, *Legal Opinion on the Authority of the Council of Regency of the Hawaiian Kingdom* (May 24, 2020) ([https://hawaiiankingdom.org/pdf/[ECF55-2]\_Declaration\_of\_Prof\_Federico\_Lenzerini\_(Filed%202021-08-11).pdf](https://hawaiiankingdom.org/pdf/%5BECF55-2%5D_Declaration_of_Prof_Federico_Lenzerini_%28Filed%202021-08-11%29.pdf)). [↑](#footnote-ref-4)
5. Royal Commission of Inquiry, *Preliminary Report on the Lorenzo Doctrine and the Continuity of the Hawaiian Kingdom as a State* 8 (June 22, 2022). [↑](#footnote-ref-5)
6. *Id*., 7-8. [↑](#footnote-ref-6)
7. *Falmouth National Bank v. Ticor Title Insurance Company*, 920 F.2d 1058, 1064 (1990). [↑](#footnote-ref-7)
8. *Id*., 1063. [↑](#footnote-ref-8)