

Statement of Kaiulani J. Lambert

On March 14, 2007, Kaiulani J. Lambert, employee of Bureau of Conveyances (BOC), Department of Land and Natural Resources (DLNR), State of Hawaii (SOH) was re-contacted by Hilton J. Lui.

Upon contact Lambert was asked by Lui about the incident in her February 23, 2007 interview where she indicated the BOC would have collected "big money" on one of the projects for Marriot but it was given away by Watanabe and the state lost big money on that. Lambert advised this incident was discussed to her and others by Harriet Enrique and Enrique showed them the documents. Lambert added that Enrique has the documents and that information. Lambert did know however, that the person who checked the documents was a Josephine Raras, who is no longer with the BOC but was the Supervisor for Regular and Land Court at a time where they had merged. Lambert added that this project had huge issuances which should have issued off of that deed which they didn't do but Marriott got charged the flat fee and only paid for the additional certificate that came with it. If you open it there is a huge book which has all the certificates that were issued off that deed. Records are still available at the BOC. It should show the title company involved. The company should have paid \$50 for the recording fee at Land Court as well as the Regular Court. However any certificate after the first four is a dollar per certificate and that the cost should be \$25 for each certificate as created as a result of that issuance. Lambert added technically Marriott only paid for the official known certificate which they had to check, but they never applied the other \$25 per certificate that they issued. If we look we can find out how many certificates were issued but not charged.

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Lambert advised currently Watanabe still has Sandy Furukawa going upstairs where Watanabe works to talk to him. Lambert was aware that Watanabe still receives work from Title Guaranty as there was one incident where Watanabe instructed Sheila Ortiz who is now in the Regular System Branch, but had volunteered to help Watanabe on his special projects to make corrections of a conveyance tax matter. Ortiz brought the paper work to Lambert and told her that Watanabe instructed Ortiz to bring the conveyance tax form and generate the unrecorded label to be filed for Title Guaranty. This was a concern to Lambert as she felt that Watanabe is not part of the BOC and Watanabe should know the chain of command. Lambert position was if Title Guaranty has any problems they need to come to them in Receiving directly and talk to one of the supervisors not send someone like Endo to do this back door dealings with Watanabe. Lambert added she learned the paperwork was addressed to Watanabe from Endo. Lambert learned that Craig Endo was an Escrow Officer for title Guaranty. Lambert she had talked to Mark from Title Guaranty and Mark informed her that Endo was not supposed to do anything with Watanabe but was supposed to come to the front door at the BOC and not the back door to Watanabe.

Lambert provided documents about the incident where Ortiz came to her whom she also forwarded to Dennis Ihara and Bob Masuda. Lambert also provided copy of the cancelled check from Title Guaranty relative to that transaction. Those documents are attached herewith.

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