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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of  
The Securities Exchange Act of 1934**

October 8, 2009  
Date of Report (Date of earliest event reported)

**STEWART INFORMATION SERVICES  
CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-02658**  
(Commission  
File Number)

**74-1677330**  
(IRS Employer  
Identification No.)

**1980 Post Oak Blvd.**  
**Houston, Texas**  
(Address of principal executive offices)

**77056**  
(Zip Code)

Registrant's telephone number, including area code: **713-625-8100**

**N/A**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02 Results of Operations and Financial Condition.**

The financial information, results of operation and other information regarding the quarter ended September 30, 2009 included in the "Recent Developments" discussion furnished herewith as Exhibit 99.1, as described below under Item 7.01, is incorporated by reference into this Item 2.02.

**Item 7.01. Regulation FD Disclosure.**

On October 8, 2009, we announced our intention to offer, subject to market and other conditions, \$60,000,000 aggregate principal amount of convertible senior notes due 2014 (the "Notes") to "qualified institutional buyers" as that term is defined in, and in accordance with Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). We do not as a matter of course make public disclosure of results for a partial quarterly period. However, in the context of this offering our management is disclosing the information furnished herewith as Exhibit 99.1. The financial information, results of operation and other information presented in Exhibit 99.1 was prepared on a reasonable basis, reflects the best currently available results, estimates and judgments, and presents, to the best of management's knowledge and belief, the expected results.

Neither our independent registered public accountants, nor any other independent registered public accountants, have compiled, examined or performed any procedures with respect to the financial information contained therein, nor have they expressed any opinion on such information or its achievability, and assume no responsibility for, and disclaim any association with, the information.

The information contained in this Current Report on Form 8-K under Item 2.02 and Item 7.01, including Exhibit 99.1, is not deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any filing under the Securities Act, except as is expressly set forth by specific reference in such a filing. In furnishing this information, including Exhibit 99.1 hereto, we make no admission as to the materiality of any such information.

**Forward-looking statements.**

Certain statements in this Current Report on Form 8-K are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements relate to future, not past, events and often address our expected future business and financial performance. These statements often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "will" or other similar words. Forward-looking statements by their nature are subject to various risks and uncertainties that could cause our actual results to be materially different than those expressed in the forward-looking statements. These risks and uncertainties include, among other things, the severity and duration of current financial and economic conditions, continued weakness or further adverse changes in the level of real estate activity, our ability to respond to and implement technology changes, including the completion of the implementation of our enterprise systems, including the implementation of our enterprise systems the impact of unanticipated title losses on the need to further strengthen our policy loss reserves, any effect of title losses on our cash flows and financial condition, the impact of our increased diligence and inspections in our agency operations, the impact of changes in governmental and insurance regulations, our dependence on our operating subsidiaries as a source of cash flow, the continued realization of expected expense savings resulting from our expense reduction steps taken in 2008, our ability to access the equity and debt financing markets, our ability to grow our international operations, and our ability to respond to the actions of our competitors. These risks and uncertainties, as well as others, are discussed in more detail in our documents filed with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2008 and our Current Reports on Form 8-K. We expressly disclaim any obligation to update any forward-looking statements contained in this news release to reflect events or circumstances that may arise after the date hereof, except as may be required by applicable law.

**Item 8.01 Other Events.**

On October 8, 2009, we issued a press release announcing our intention to offer, subject to market and other conditions, the Notes to qualified institutional buyers in accordance with Rule 144A under the Securities Act.

Neither the press release nor this Current Report on Form 8-K constitutes an offer to sell or the solicitation of an offer to buy securities. Any offers of the securities will be made only by means of a private offering memorandum. The Notes, the subsidiary guarantees and the underlying shares of common stock that may be delivered upon conversion of the Notes have not been registered under the Securities Act, and may not be offered or sold in the United States except pursuant to an effective registration statement or an exemption from the registration requirements of the Securities Act and applicable state laws.

A copy of the press release is attached to this Current Report on Form 8-K as Exhibit 99.2 and is incorporated by reference herein and filed for the purpose of complying with Rule 135c under the Securities Act.

**Item 9.01. Financial Statements and Exhibits.**

99.1 Recent Developments

99.2 Press Release of Stewart Information Services Corporation, dated October 8, 2009.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 8, 2009

**STEWART INFORMATION SERVICES CORPORATION**

By: /s/ J. Allen Berryman  
*(J. Allen Berryman, Executive Vice  
President,  
Secretary, Treasurer and Principal  
Financial Officer)*

EX-99.1 2 h68169exv99w1.htm EX-99.1

Exhibit 99.1

### Recent Developments

Our revenues for the months of July and August 2009 from affiliated and agency operations, net of agency retention, were generally consistent with our expectations, as noted in our earnings release for the quarter ended June 30, 2009. Title order counts in August were slightly lower as compared with July, but through late September have trended upward as compared with August, corresponding to the decline in mortgage interest rates to new recent lows. Increasing title orders generally precede increases in revenues. Revenues in our real estate information services segment for the months of July and August 2009 continued to benefit from the significant increase in loan modification services as described in our Form 10-Q for the quarter ended June 30, 2009. Our REI segment revenues should remain strong from the cycle of mortgage modifications, short sales, foreclosure, and lender real estate owned business.

Employee and other operating costs during July and August were generally consistent with second quarter run-rates. We performed our normal quarterly review of title loss reserves in September rather than October in conjunction with the preparation for the offering of the Notes. As a result of this review, title losses for the period include a further reserve strengthening charge of \$12.5 million relating primarily to the prior policy years of 2006 and 2007. No further reserve strengthening was deemed necessary for the 2005 policy year as of this current review. In addition, we revised our title loss accrual rate for all of 2009, resulting in a policy loss adjustment expense of \$3.8 million relating to the eight months ended August 31, 2009.

During August, we recorded a \$2.2 million impairment charge on cost-basis investments in two real estate partnerships due to write-downs taken by the partnerships on the underlying properties.

After accounting for the \$18.5 million of charges and year to date accruals discussed above, our pre-tax loss (before non-controlling interests) for July and August 2009 is approximately \$12.1 million. For the third quarter of 2008, we recorded a pre-tax loss (before non-controlling interests) of \$39.7 million, including charges of approximately \$10 million, and a net loss of \$30.0 million. In late September, we became aware of developments on a prior year title claim related to a title policy issued in 2006. We will accrue a \$3.0 million reserve for large title losses for this claim in the third quarter. In the event of payment of a claim related to this reserve, we intend to vigorously pursue our rights to recovery from third parties.

We are pleased with current operating results for July and August. Our affiliated title operations generated income before taxes for the six months ended June 30, 2009, and have continued to perform well in July and August. Our agency operations also continue to show improvement. Our average remittance per agent has risen significantly from 2008 levels and claims generated by our current agent network are significantly less than those generated by cancelled agents. We continue to aggressively pursue the cost-saving and efficiency initiatives described in our second quarter Form 10-Q.

Our determined actions to align our controllable costs with changing market conditions as well as our increasing market share (from 11.7 percent at the beginning of 2008 to 13.1 percent in the second quarter 2009 according to the American Land Title Association) have positioned us to take advantage of higher real estate transaction volumes fueled by low interest rates, which drive increases in both refinance activity and home sales.

We are seeing indications that housing markets have bottomed. Existing home sales increased 16.7 percent from January 2009 to July 2009 (on a seasonally-adjusted, annualized rate). New home sales are up 40 percent in that same period. The Case-Shiller 20-City Home Price Index has risen for two consecutive months, with only two cities posting a price decline from May to June 2009, the latest period available. Pending home sales have increased in September, according to the National Association of Realtors.

Freddie Mac reported on October 1, 2009, that interest rates for 30-year, fixed-rate loans averaged 4.94 percent nationwide. To place this low rate in perspective, in the more than 500 weeks since January 2000, rates have been lower just 10 times.

Some of the information above reflects our current expectations and is based on currently available information, which is subject to revision based on actual results.

EX-99.2 3 h68169exv99w2.htm EX-99.2

Exhibit 99.2

**NEWS**

From:

**STEWART INFORMATION SERVICES CORP.**

P.O. Box 2029, Houston, Texas 77252-2029

<http://www.stewart.com>**Contact:** Ted C. Jones, Director-Investor Relations(713) 625-8014 [ted@stewart.com](mailto:ted@stewart.com)**STEWART LAUNCHES PRIVATE PLACEMENT OF  
\$60 MILLION CONVERTIBLE SENIOR NOTES**

**HOUSTON** (October 8, 2009) — Today, Stewart Information Services Corporation (NYSE—STC) announced its intention to offer, subject to market and other conditions, \$60 million aggregate principal amount of Convertible Senior Notes due 2014 (the “Notes”) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”).

The Notes will be guaranteed by Stewart’s wholly-owned subsidiary, Stewart Title Company, and certain of its wholly-owned domestic subsidiaries. The Notes will be senior unsecured obligations of Stewart and will rank senior in right of payment with all existing and future indebtedness of Stewart that is expressly subordinated in right of payment to the Notes.

Stewart intends to use the net proceeds from the offering and existing cash on hand to pay down an aggregate amount of \$60.5 million of outstanding unsecured callable bank debt, which results in an extension of our debt maturities.

The Notes, the subsidiary guarantees and the underlying shares of common stock that may be delivered upon conversion of the Notes have not been registered under the Securities Act or any state securities laws, and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act and applicable state laws. This press release shall not constitute an offer to sell or the solicitation of any offer to buy any of these securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

Stewart Information Services Corporation (NYSE-STC) is a customer-driven, technology-enabled, strategically competitive real estate information, title insurance and transaction management company. Stewart provides title insurance and related information services required for settlement by the real estate and mortgage industries throughout the United States and in international markets. Stewart also provides post-closing lender services, automated county clerk land records, property ownership mapping, geographic information systems, property information reports, flood certificates, document preparation, background checks and expertise in tax-deferred exchanges. More information can be found at [www.stewart.com](http://www.stewart.com).

Forward-looking statements. Certain statements in this news release are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements relate to future, not past, events and often address our expected future business and financial performance. These statements often contain words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “will” or other similar words. Forward-looking statements by their nature are subject to various risks and uncertainties that could cause our actual results to be materially different than those expressed in the forward-looking statements. These risks and uncertainties include, among other things, the severity and duration of current financial and economic conditions, continued weakness or further adverse changes in the level of real estate activity, our ability to respond to and implement technology changes, including the completion of the implementation of our enterprise systems, including the implementation of our enterprise systems the impact of unanticipated title losses on the need to further strengthen our policy loss reserves, any effect of title losses on our cash flows and financial condition, the impact of our increased diligence and inspections in our agency operations, the impact of changes in governmental and insurance regulations, our dependence on our operating subsidiaries as a source of cash flow, the continued

realization of expected expense savings resulting from our expense reduction steps taken in 2008, our ability to access the equity and debt financing markets, our ability to grow our international operations, and our ability to respond to the actions of our competitors. These risks and uncertainties, as well as others, are discussed in more detail in our documents filed with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2008 and our Current Reports on Form 8-K. We expressly disclaim any obligation to update any forward-looking statements contained in this news release to reflect events or circumstances that may arise after the date hereof, except as may be required by applicable law.

EX-99.2 3 h68169exv99w2.htm EX-99.2

Exhibit 99.2

## NEWS

From:  
**STEWART INFORMATION SERVICES CORP.**  
P.O. Box 2029, Houston, Texas 77252-2029  
<http://www.stewart.com>  
Contact: Ted C. Jones, Director-Investor Relations  
(713) 625-8014 [ted@stewart.com](mailto:ted@stewart.com)

**STEWART LAUNCHES PRIVATE PLACEMENT OF  
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