

STEWART INFORMATION SERVICES CORP
Form S-3
January 04, 2011

As filed with the Securities and Exchange Commission on January 4, 2011

Registration No. 333-

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

STEWART INFORMATION SERVICES CORPORATION
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

74-1677330
(I.R.S. Employer Identification Number)

**1980 Post Oak Blvd.
Houston, Texas 77056
(713) 625-8100**

(Address, including zip code, and telephone number, including area code,
of Registrant's principal executive offices)

**J. Allen Berryman
Executive Vice President and Chief Financial Officer**

**1980 Post Oak Blvd.
Houston, Texas 77056
(713) 625-8100**

(Name, address, including zip code, and telephone number,
including area code, of agent for service)

**Copy to:
David F. Taylor, Esq.
Locke Lord Bissell & Liddell LLP
600 Travis Street, Suite 2800
Houston, Texas 77002
(713) 226-1200**

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of the Registration Statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer
 (Do not check if a smaller reporting company) Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit (1)	Proposed maximum aggregate offering price (1)	Amount of registration fee (1)
Common Stock, par value \$1.00 per share	660,000 Shares	\$ 11.52	\$ 7,603,200	\$ 883

(1) Estimated solely for the purpose of computing the amount of the registration fee in accordance with Rule 457(c) under the Securities Act based on the average of the high and the low prices of the registrant's Common Stock on the New York Stock Exchange on December 31, 2010.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities, in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JANUARY 4, 2011

PROSPECTUS

STEWART INFORMATION SERVICES CORPORATION

660,000 Shares

Common Stock

From time to time, Gilardi & Co. LLC, which we refer to as the Claims Administrator, may offer and sell up to 660,000 shares of our common stock, which we refer to as the Settlement Shares, issued to the Claims Administrator in connection with the settlement of four wage and hour class action lawsuits filed in California state and federal courts against our subsidiary, Stewart Title of California, Inc. We intend to distribute the Settlement Shares to the Claims Administrator on the day of the effectiveness of the Registration Statement of which this prospectus is a part.

Our common stock is listed on the New York Stock Exchange under the symbol **STC**. On December 31, 2010, the last reported sale price of our common stock on the New York Stock Exchange was \$11.53 per share.

The Claims Administrator may offer and sell any of the Settlement Shares from time to time at fixed prices, at market prices or at negotiated prices, and may engage a broker, dealer or underwriter to sell the Settlement Shares. For additional information on the possible methods of sale that may be used by the Claims Administrator, you should refer to the section entitled **Plan of Distribution** beginning on page 4 of this prospectus. We will not receive any proceeds from the sale of the Settlement Shares by the Claims Administrator. We will pay all expenses incurred in effecting the registration statement of which this prospectus constitutes a part.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

INVESTING IN OUR SECURITIES INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD CAREFULLY CONSIDER THE RISK FACTORS CONTAINED IN OUR ANNUAL REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009, UPDATES IN PART II ITEM 1A OF OUR FORM 10-Q FILINGS AND IN OUR FUTURE FILINGS MADE WITH THE SECURITIES AND EXCHANGE COMMISSION, WHICH ARE INCORPORATED BY REFERENCE IN THIS PROSPECTUS. SEE THE SECTION ENTITLED RISK FACTORS ON PAGE 1 OF THIS PROSPECTUS.

The date of this prospectus is _____, 2011.

TABLE OF CONTENTS

	Page
ABOUT THIS PROSPECTUS	1
OUR COMPANY	1
RISK FACTORS	1
FORWARD-LOOKING STATEMENTS	2
USE OF PROCEEDS	3
SELLING STOCKHOLDER	3
PLAN OF DISTRIBUTION	4
DESCRIPTION OF CAPITAL STOCK	5
LEGAL MATTERS	9
EXPERTS	9
INCORPORATION OF CERTAIN INFORMATION BY REFERENCE	9
WHERE YOU CAN FIND MORE INFORMATION	10

ABOUT THIS PROSPECTUS

You should rely only on the information contained in or incorporated by reference into this prospectus. We have not authorized anyone to provide you with different information. The information contained in this prospectus and the documents incorporated by reference herein are accurate only as of their respective dates, regardless of the time of delivery of this prospectus or any sale of our common stock. Our business, financial condition, results of operations, and prospects may have changed since those dates. We are not making an offer to sell or seeking an offer to buy shares of our common stock under this prospectus in any jurisdiction where the offer or sale is not permitted.

In this prospectus, the terms Stewart, we, our, and us refer to Stewart Information Services Corporation and its subsidiaries, unless otherwise specified.

OUR COMPANY

We are a customer-driven, technology-enabled, strategically competitive, real estate information, title insurance and transaction management company. We provide title insurance and related information services required for settlement by the real estate and mortgage industries throughout the United States and in international markets. We also provide 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.

Our international division delivers products and services protecting and promoting private land ownership worldwide. Currently, our primary international operations are in Canada, the United Kingdom, Central Europe, Mexico, Central America and Australia.

Our two main operating segments of business are title insurance-related services and real estate information. The segments significantly influence business to each other due to the nature of their operations and common customers.

We are a Delaware corporation formed in 1970. We and our predecessors have been engaged in the title business since 1893. Our principal executive offices are located at 1980 Post Oak Blvd., Houston, Texas 77056. Our telephone number at that address is (713) 625-8100. Our website is www.stewart.com. Other than as described in *Where You Can Find More Information* below, the information on, or that can be accessed through, our web site is not incorporated by reference in this prospectus or any prospectus supplement, and you should not consider it to be a part of this prospectus or any prospectus supplement. Our web site address is included as an inactive textual reference only.

RISK FACTORS

Investing in our common stock involves a high degree of risk. Before making an investment decision, you should carefully read and consider the risk factors described under the caption *Risk Factors* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009, as updated by our subsequently filed Quarterly Reports on Form 10-Q, as the same may be updated from time to time by our future filings with the SEC, as well as the other information in this prospectus and the documents incorporated by reference herein or therein. The risks and uncertainties we have described are not the only ones facing our company. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business operations.

FORWARD-LOOKING STATEMENTS

This prospectus and each prospectus supplement includes and incorporates forward-looking statements within the meaning of Section 27A of the Securities Act of 1993, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. All statements, other than statements of historical facts, included or incorporated in this prospectus or any prospectus supplement are forward-looking statements. The words anticipates, believes, estimates, expects, intends, may, plans, projects, will, would, and similar words are intended to identify forward-looking statements.

Actual results or events could differ materially from the forward-looking statements we make. Among the factors that could cause actual results to differ materially are the severity and duration of current financial and economic conditions; continued weakness or further adverse changes in the level of real estate activity; changes in mortgage interest rates, existing and new home sales, and availability of mortgage financing; our ability to respond to and implement technology changes, including the completion of 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; changes to the participants in the secondary mortgage market and the rate of refinancings that affect the demand for title insurance products; regulatory non-compliance, fraud or defalcations by our title insurance agents or employees; our ability to timely and cost-effectively respond to significant industry changes and introduce new products and services; the impact of changes in governmental and insurance regulations, including any future reductions in the pricing of title insurance products and services; 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 since 2008; our ability to access the equity and debt financing markets when and if needed; our ability to grow our international operations; and our ability to respond to the actions of our competitors. Other factors are discussed under the heading *Risk Factors* in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009 and our Quarterly Reports on Form 10-Q filed with the SEC. We also will include or incorporate by reference in each prospectus supplement important factors that we believe could cause actual results or events to differ materially from the forward-looking statements that we make. Should one or more known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could differ materially from past results and those anticipated, estimated, projected, or implied by these forward-looking statements. You should consider these factors and the other cautionary statements made in this prospectus, any prospectus supplement, or the documents we incorporate by reference in this prospectus or any prospectus supplement as being applicable to all related forward-looking statements wherever they appear in this prospectus, any prospectus supplement or the documents incorporated by reference. While we may elect to update forward-looking statements wherever they appear in this prospectus, any prospectus supplement, or the documents incorporated by reference, we do not assume, and specifically disclaim, any obligation to do so, whether as a result of new information, future events, or otherwise.

USE OF PROCEEDS

The Settlement Shares are being issued as part of the settlement of four wage and hour class action lawsuits filed in California state and federal courts against our subsidiary, Stewart Title of California, Inc. Accordingly, we will not receive any cash proceeds from the issuance of these Settlement Shares but will eliminate an actual or potential liability.

SELLING STOCKHOLDER

On October 27, 2010, the courts approved a settlement agreement, or the Settlement Agreement, with the plaintiffs in four wage and hour class action lawsuits filed in California state and federal courts against our subsidiary, Stewart Title of California, Inc. Pursuant to the Settlement Agreement, we agreed to issue up to an aggregate of 660,000 shares of our common stock to the Claims Administrator.

In order to fulfill our obligations under the terms of the Settlement Agreement relating to issuance of the Settlement Shares, we filed a Registration Statement on Form S-3, of which this prospectus constitutes a part, in order to permit the Claims Administrator, as the selling stockholder, to resell to the public any or all of the Settlement Shares. When we refer to the Claims Administrator in this prospectus, we mean Gilardi & Co. LLC, as well as its transferees, pledgees or donees or its respective successors.

The following table, to our knowledge, sets forth the information regarding the beneficial ownership of our common stock by the Claims Administrator as of December 31, 2010 and the number of shares being offered hereby by the Claims Administrator. The information is based in part on information provided by or on behalf of the Claims Administrator. Beneficial ownership is determined in accordance with Rule 13d-3 promulgated by the Securities and Exchange Commission under the Exchange Act and includes voting or investment power with respect to shares, as well as any shares as to which the Claims Administrator has the right to acquire beneficial ownership within sixty (60) days after December 31, 2010 through the exercise or conversion of any stock options, warrants, convertible debt or otherwise. The shares in the table below represent all of the Settlement Shares we intend to distribute to the Claims Administrator on the day of the effectiveness of the registration statement of which this prospectus is a part as obligated under the terms of the Settlement Agreement. The inclusion of any shares in this table does not constitute an admission of beneficial ownership by the Claims Administrator. We will not receive any of the proceeds from the sale of our common stock by the Claims Administrator but will eliminate an actual or potential liability.

Name of Selling Stockholder	Shares Beneficially Owned Before Offering		Shares Offered Hereby	Shares Beneficially Owned After Offering	
	Number	Percent		Number	Percent
Gilardi & Co. LLC	660,000	3.5%	660,000	0	0%

(1) The percentage of shares beneficially owned prior to the offering is based on 18,375,058 shares of our common stock, consisting of 17,325,046 shares of common stock and 1,050,012 shares of Class B Common Stock, outstanding as of December 31, 2010.

PLAN OF DISTRIBUTION

The common stock to be offered and sold using this prospectus are being registered to permit public secondary trading of such common stock by the Claims Administrator from time to time after the date of this prospectus. The shares are being issued as part of the settlement of four wage and hour class action lawsuits filed in California state and federal courts against our subsidiary, Stewart Title of California, Inc. These lawsuits generally claimed, among other things, that (i) the plaintiffs were misclassified as exempt employees and were not paid overtime, (ii) the overtime payments made to non-exempt employees were miscalculated and (iii) the plaintiffs worked overtime hours but were not paid. The plaintiffs sought compensatory damages, statutory compensation, penalties and restitution, exemplary and punitive damages, declaratory relief, interest and attorneys fees. A settlement agreement with respect to the wage and hour class action lawsuits was approved by the courts on October 27, 2010.

As part of the Settlement Agreement, we will issue the Settlement Shares to the Claims Administrator. The Settlement Shares may be sold from time to time to purchasers directly by the Claims Administrator and its successors, which includes their transferees, pledgees or donees or their successors, or through underwriters, broker-dealers or agents who may receive compensation in the form of discounts, concessions or commissions from the Claims Administrator on the purchasers of the Settlement Shares. These discounts, concessions or commissions may be in excess of those customary in the types of transactions involved. The proceeds from the sale of the Settlement Shares by the Claims Administrator will be distributed to the plaintiffs in the above referenced wage and hour class action lawsuits and used to cover costs, expenses and legal fees associated with the class action lawsuits. We will not receive any of the proceeds from the sale of the Settlement Shares by the Claims Administrator.

The Claims Administrator and any underwriters, broker-dealers or agents who participate in the distribution of the common stock may be underwriters within the meaning of the Securities Act. The Claims Administrator has not represented to us that it is a broker-dealer or an affiliate of a broker-dealer. If the Claims Administrator is deemed to be an underwriter, such Claims Administrator may be subject to certain statutory liabilities of the Securities Act and the Exchange Act.

We will pay all expenses of the registration of the Settlement Shares pursuant to the Settlement Agreement, including, without limitation, Securities and Exchange Commission filing fees and expenses of compliance with state securities or blue sky laws; provided, however, that if the common stock is sold through underwriters, broker dealers or agents, the Claims Administrator will be responsible for underwriting discounts or commissions or agent s commissions.

DESCRIPTION OF CAPITAL STOCK

In addition to the summary of our capital stock that follows, we encourage you to review our Amended and Restated Certificate of Incorporation, as amended, or the Restated Certificate of Incorporation, and our By-laws, copies of which are included, or incorporated by reference, as exhibits to our Annual Report on Form 10-K for the year ended December 31, 2009, or our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2010, June 30, 2010 and September 30, 2010.

General

We have three classes of capital stock authorized:

50,000,000 shares of common stock, \$1.00 par value, of which 17,801,273 shares were issued and 17,325,046 shares were outstanding at December 31, 2010;

1,500,000 shares of Class B common stock, \$1.00 par value, of which 1,050,012 shares were issued and outstanding at December 31, 2010; and

1,000,000 shares of preferred stock, \$0.001 par value, none of which were issued and outstanding at December 31, 2010.

Common Stock

The shares of common stock and Class B common stock outstanding are, and the shares of common stock being offered pursuant to this prospectus when issued and paid for will be, fully paid and nonassessable. Unless otherwise noted below, the rights, qualifications and limitations of the common stock and the Class B common stock are the same.

Preemptive Rights

The holders of the common stock and Class B common stock do not have preemptive or other rights to subscribe for additional shares of our capital stock or any security convertible into such shares.

Dividend Rights and Restrictions

The holders of the common stock and the Class B common stock are entitled to share equally, share for share, in all dividends declared by our Board of Directors, except that no cash dividends may be declared or paid on the Class B common stock. Stock dividends, if any, must be paid on each class of stock equally in shares of the particular class. Dividends in property other than cash or stock of Stewart must be paid on each class of stock equally. The amount of dividends payable to us by our wholly owned subsidiary, Stewart Title Guaranty Company, which is the principal source from which we pay dividends to our stockholders, is restricted under Texas insurance law. For additional information, see the risk factor titled "We rely on dividends from our insurance underwriting subsidiaries" in the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2009, which is incorporated herein by reference.

Liquidation Rights

In the event of liquidation and dissolution of Stewart, the holders of the common stock and the Class B common stock are entitled to share ratably in the distribution of all assets of Stewart remaining after the payment of debts and expenses.

Voting Rights

Each holder of common stock or Class B common stock is entitled to one vote for each share of stock on all matters voted on by our stockholders, except that as long as 600,000 or more shares of Class B common stock are issued and outstanding, at each election of directors the common stock and the Class B common stock are voted as separate classes. In the election of directors on which holders of common stock may vote, the holders of common stock have cumulative voting rights. The holders of the Class B common stock do not have cumulative voting rights. On all other matters, the common stock and the Class B common stock are voted as a single class.

So long as 1,050,000 or more shares of Class B common stock are outstanding, the holders of the common stock are entitled to elect five of the nine directors of Stewart and the holders of the Class B common stock are entitled to elect the remaining four of the nine directors. In the event that the number of issued and outstanding shares of Class B common stock is less than 1,050,000 but more than 600,000, the number of directors to be so elected by the holders of the common stock will be six and the number to be elected by the holders of the Class B common stock will be three. In the event that the number of issued and outstanding shares of Class B common stock falls below 600,000, the common stock and the Class B common stock will be voted as a single class on all matters, including the election of directors, and the holders of each class of stock will have cumulative voting rights.

Any change in our Restated Certificate of Incorporation that affects the common stock and the Class B common stock unequally requires the affirmative vote of at least a majority of the outstanding shares of each class, voting as a class.

Conversion and Restrictions on Transfer of Class B Common Stock

Each share of Class B common stock is convertible, at any time, into one share of common stock. In the event of any transfer, upon death or otherwise, of any share of Class B common stock to any person or entity other than a qualified holder, such share of Class B common stock shall automatically be converted into a share of common stock. A qualified holder is defined in our Restated Certificate of Incorporation as (1) a lineal descendant of William H. Stewart (a common ancestor of Malcolm Morris and Stewart Morris), (2) a spouse of any such descendant or (3) a personal representative, trustee or custodian for the benefit of any such spouse or descendant. A partnership shall be deemed to be a qualified holder if each of its partners is a qualified holder; a corporation shall be deemed to be a qualified holder if each holder of its capital stock is a qualified holder; and a trust shall be deemed to be a qualified holder if each beneficiary is a qualified holder.

The holders of the Class B common stock have entered into an agreement intended to maintain an equal ownership of shares of common stock and Class B common stock by Malcolm Morris and Matthew W. Morris, on the one hand, and by Stewart Morris and Stewart Morris, Jr., on the other. This agreement also provides for rights of first refusal with respect to the Class B common stock among themselves in the event of death, a voluntary or involuntary disposition of the shares of Class B common stock and upon certain other specified conditions.

Preferred Stock

The Board of Directors is authorized to establish, from the authorized shares of preferred stock, one or more classes or series of shares, to designate each such class and series, and to fix the rights and preferences of each such class and series. Each such class or series of preferred stock shall have such voting powers (full or limited or no voting powers), such preferences and relative, participating, optional or other special rights, and such qualifications, limitations, or restrictions as shall be stated and expressed in the resolution or resolutions providing for the issue of such class or series of preferred stock as may be adopted from time to time by the Board of Directors prior to the issuance of any shares thereof. The preferred stock could be used, under certain circumstances, as a method of discouraging, delaying or preventing a change of control of Stewart (by means of a merger, tender offer, proxy contest or otherwise). The issuance of preferred stock to persons friendly to the Board of Directors could also make it more difficult to remove incumbent directors or management from office even if such a change would be favorable to our stockholders generally.

Anti-Takeover Provisions

Certain provisions in our Restated Certificate of Incorporation and By-laws may make it less likely that our management would be changed or that someone would acquire voting control of Stewart without the consent of our Board of Directors. These provisions may delay, deter or prevent tender offers or takeover attempts that stockholders

may believe

are in their best interests, including tender offers or other takeover proposals that might allow stockholders to receive premiums over the market price of their common stock.

Class B Common Stock

Pursuant to our by-laws, six of the nine members of the Board of Directors constitute a quorum, and the vote of six directors is required to constitute an act by the Board of Directors. Accordingly, the affirmative vote of at least one of the directors elected by the holders of the Class B common stock is required for any action to be taken by the Board of Directors. The foregoing provision of our By-laws may not be amended or repealed without the affirmative vote of at least a majority of the outstanding shares of each class of our capital stock, voting as a separate class.

The voting rights of the holders of the Class B common stock may have the effect of rendering more difficult or discouraging unsolicited tender offers, merger proposals, proxy contests or other takeover proposals to acquire control of Stewart. To the extent that such voting rights have such effect, the assumption of control by a holder of a large block of common stock and the removal of incumbent management of Stewart may be more difficult. Furthermore, such voting rights could make the accomplishment of a business combination transaction involving Stewart more difficult even if such transaction was favorable to the interests of a majority of our stockholders. Thus, the holders of the Class B common stock may possess a veto power over such business combination transactions regardless of whether such transactions might be desired by or be beneficial to a majority of our stockholders and thereby assist existing management in retaining their present positions with Stewart.

Issuance of Preferred Stock

As discussed above, the Board of Directors could use, under certain circumstances, the preferred stock as a method of discouraging, delaying or preventing a change of control of Stewart (by means of a merger, tender offer, proxy contest or otherwise).

Advance Notice Requirements for Director Nominations

Our stockholders may nominate candidates for our Board of Directors; however, a stockholder must follow the advance notice procedures described in our By-laws. In general, a stockholder must submit a written notice of the nomination to our Corporate Secretary at no later than the 15th day of February next preceding the annual meeting of stockholders.

Directors Ability to Amend By-laws

Our Board of Directors may adopt, amend or repeal our By-laws, subject to limitations under Delaware law.

Additional Authorized Shares of Common Stock

Additional shares of authorized common stock available for issuance under our Restated Certificate of Incorporation could be issued at such times, under such circumstances and with such terms and conditions as to impede a change in control of Stewart.

Special Meeting of Stockholders

The By-laws provide that special meetings of stockholders may be called only by our President or our Board of Directors. Such provisions, together with the other anti-takeover provisions described in this section, also could have the effect of discouraging a third party from initiating a proxy contest, making a tender or exchange offer or otherwise attempting to obtain control of Stewart.

Delaware Anti-Takeover Law

Under Section 203 of the Delaware General Corporation Law, certain business combinations between a Delaware corporation whose stock generally is publicly traded or held of record by more than 2,000 stockholders and an interested stockholder are prohibited for a three-year period following the date that such stockholder became an interested stockholder, unless (1) the corporation has elected in its certificate of incorporation or by-laws not to be

governed by the Delaware anti-takeover law (Stewart has not made such an election), (2) either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder was approved by the board of directors of the corporation before the stockholder became an interested stockholder, (3) upon consummation of the transaction that made it an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the commencement of the transaction (excluding voting stock owned by directors who are also officers or held in employee stock plans in which the employees do not have a right to determine confidentially whether to tender or vote stock held by the plan), or (4) the business combination was approved by the board of directors of the corporation and ratified by 66 2/3% of the voting stock which the interested stockholder did not own.

The three-year prohibition does not apply to certain business combinations proposed by an interested stockholder following the announcement or notification of certain extraordinary transactions involving the corporation and a person who had not been an interested stockholder during the previous three years or who became an interested stockholder with the approval of a majority of the corporation's directors.

The term business combination is defined generally to include mergers or consolidations between a Delaware corporation and an interested stockholder, transactions with an interested stockholder involving the assets or stock of the corporation or its majority-owned subsidiaries and transactions which increase an interested stockholder's percentage ownership of stock. The term interested stockholder is defined generally as a stockholder who becomes the beneficial owner of 15% or more of a Delaware corporation's voting stock. Section 203 could have the effect of delaying, deferring or preventing a change in control of Stewart.

Transfer Agent

The Transfer Agent and Registrar for the common stock is BNY Mellon Shareowner Services, and its address is 480 Washington Blvd., Jersey City, NJ 07310.

LEGAL MATTERS

The validity of the securities offered hereby will be passed upon for us by Locke Lord Bissell & Liddell LLP, Houston, Texas.

EXPERTS

The consolidated balance sheets of Stewart Information Services Corporation and its subsidiaries as of December 31, 2009 and 2008, and the related consolidated statements of earnings, retained earnings and comprehensive earnings, and cash flows for each of the years in the three-year period ended December 31, 2009, and all related financial statement schedules, and the effectiveness of internal control over financial reporting as of December 31, 2009, have been audited by KPMG, independent registered public accounting firm, as stated in their reports which are incorporated herein by reference. The audit report covering the December 31, 2009 financial statements refers to a change in accounting in 2009 due to the adoption of FASB Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements*, and in 2008 due to the adoption of FASB Statement No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information that we incorporate by reference is considered to be part of this prospectus. Information that we file with the SEC in the future and incorporate by reference in this prospectus automatically updates and supersedes previously filed information as applicable.

We incorporate by reference into this prospectus the following documents filed by us with the SEC, other than any portions of any such documents that are not deemed filed under the Exchange Act in accordance with the Exchange Act and applicable SEC rules:

Annual Report on Form 10-K for the year ended December 31, 2009.

Quarterly Reports on Forms 10-Q for the quarters ended March 31, 2010; June 30, 2010 and September 30, 2010.

Current Reports on Form 8-K filed with the SEC on May 5, 2010 and January 4, 2011.

All documents filed by us in the future under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act until all of the securities registered under this prospectus or any accompanying prospectus supplement is sold, other than any portions of any such documents that are not deemed filed under the Exchange Act in accordance with the Exchange Act and applicable SEC rules.

You may request a copy of these filings at no cost, by writing or telephoning us as follows:

Stewart Information Services Corporation
Attention: Corporate Secretary
1980 Post Oak Blvd.
Houston, Texas 77056
(713) 625-8100

Any statement contained in a document that is incorporated by reference will be modified or superseded for all purposes to the extent that a statement contained in this prospectus or any accompanying prospectus supplement, or in any other document that is subsequently filed with the SEC and incorporated by reference, modifies, or is contrary to that previous statement. Any statement so modified or superseded will not be deemed a part of this prospectus or any accompanying prospectus supplement, except as so modified or superseded. Since information that we later file with the SEC will update and supersede previously incorporated information, you should look at all of the SEC filings that we incorporate by reference to determine if any of the statements in this prospectus or any accompanying prospectus supplement or in any documents previously incorporated by reference have been modified or superseded.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly, and current reports, proxy statements, and other information with the SEC under the Exchange Act. Through our website at www.stewart.com, you may access, free of charge, our filings, as soon as reasonably practical after we electronically file them with or furnish them to the SEC. Other information contained in our website is not incorporated by reference in, and should not be considered a part of, this prospectus or any accompanying prospectus supplement. You also may read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our SEC filings are also available to the public from the SEC's website at www.sec.gov.

This prospectus is part of a registration statement on Form S-3 that we filed with the SEC to register the common stock offered hereby under the Securities Act. This prospectus does not contain all of the information included in the registration statement, including certain exhibits and schedules. You may obtain the registration statement and exhibits to the registration statement in any manner noted above.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

The following table sets forth the fees and expenses payable by the registrant in connection with the offering described in the registration statement. All of the amounts shown are estimates, except for the SEC registration fee:

	Amount to be Paid
SEC Registration Fee	\$ 883
NYSE Fee	5,000
Accountants Fees and Expenses	7,500
Legal Fees and Expenses	20,000
Printing, Transfer Agent and Miscellaneous Expenses	5,000
 Total	 \$ 38,383

Item 15. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law empowers a Delaware corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of such corporation) by reason of the fact that such person is or was a director, officer, employee, or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee, or agent of another corporation or enterprise. In accordance with Delaware law, the Restated Certificate of Incorporation, as amended, and the amended By-laws of the registrant provide that the registrant will indemnify and advance expenses, to the fullest extent permitted by Delaware law, to each person who is or was a director or officer of the registrant, or who serves or served any other enterprise or organization at the request of the registrant (an Indemnitee).

Under Delaware law, to the extent that an Indemnitee is successful on the merits in defense of a suit or proceeding brought against him or her by reason of the fact that he or she is or was a director, officer, or agent of the registrant, or serves or served any other enterprise or organization at the request of the registrant, the registrant shall indemnify him or her against expenses (including attorneys fees) actually and reasonably incurred in connection with such action.

If unsuccessful in defense of a third-party civil suit or a criminal suit, or if such a suit is settled, an Indemnitee may be indemnified under Delaware law against both (i) expenses, including attorneys fees, and (ii) judgments, fines, and amounts paid in settlement if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the registrant, and, with respect to any criminal action, had no reasonable cause to believe his or her conduct was unlawful.

If unsuccessful in defense of a suit brought by or in the right of the registrant, where the suit is settled, an Indemnitee may be indemnified under Delaware law only against expenses (including attorneys fees) actually and reasonably incurred in the defense or settlement of the suit if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the registrant except that if the Indemnitee is adjudged to be liable for negligence or misconduct in the performance of his or her duty to the registrant, he or she cannot be made whole even for expenses unless a court determines that he or she is fully and reasonably entitled to indemnification for such expenses.

Also under Delaware law, expenses incurred by an officer or director in defending a civil or criminal action, suit, or proceeding may be paid by the registrant in advance of the final disposition of the suit, action, or proceeding upon receipt of an undertaking by or on behalf of the officer or director to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the registrant. The registrant may also advance expenses incurred by other employees and agents of the registrant upon such terms and conditions, if any, that the board of directors of the registrant deems appropriate.

Our amended By-laws also permit us to purchase and maintain insurance on behalf of any officer or director for any liability arising out of his or her actions in that capacity, regardless of whether our amended and restated by-laws would otherwise permit indemnification for that liability.

Item 16. Exhibits

Exhibit

Number Exhibit

- 5.1 Opinion of Locke Lord Bissell & Liddell LLP
- 23.1 Consent of Locke Lord Bissell & Liddell LLP (contained in Exhibit 5.1)
- 23.2 Consent of KPMG LLP
- 24.1 Power of Attorney (included on signature page)

Item 17. Undertakings

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement; provided, however, that paragraphs (a)(1)(i), (a)(1)(ii), and (a)(1)(iii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(d) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Houston, state of Texas, on the 4th day of January, 2011.

STEWART INFORMATION SERVICES CORPORATION

By: /s/ J. Allen Berryman
J. Allen Berryman, Executive Vice
President
Chief Financial Officer, Secretary and
Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints jointly and severally, Malcolm S. Morris, Stewart Morris, Jr., and J. Allen Berryman, and each one of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including pre-effective and post-effective amendments) to this registration statement, and to sign any registration statement and amendments thereto for the same offering pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all which said attorneys-in-fact and agents, or any of them, or their or his substitute or substitutes, may lawfully do, or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities set forth below on January 4, 2011.

Signature	Title
/s/ Malcolm S. Morris Malcolm S. Morris	Co-Chief Executive Officer and Chairman of the Board of Directors (Co-Principal Executive Officer)
/s/ Stewart Morris, Jr. Stewart Morris, Jr.	President, Co-Chief Executive Officer, President and Director (Co-Principal Executive Officer)
/s/J. Allen Berryman J. Allen Berryman	Executive Vice President, Chief Financial Officer, Secretary and Treasurer (Principal Financial Officer)
/s/ Brian K. Glaze Brian K. Glaze	Senior Vice President (Principal Accounting Officer)
	Director

/s/ Catherine A. Allen
Catherine A. Allen

Director

/s/ Thomas G. Apel
Thomas G. Apel

Director

/s/ Robert L. Clarke
Robert L. Clarke

II-4

Signature	Title
/s/ Paul W. Hobby	Director
Paul W. Hobby	
/s/ E. Douglas Hodo	Director
Dr. E. Douglas Hodo	
/s/ Laurie C. Moore	Director
Laurie C. Moore	
/s/ W. Arthur Porter	Director
W. Arthur Porter, Ph.D	

II-5

EXHIBIT INDEX

Exhibit Number	Exhibit
5.1	Opinion of Locke Lord Bissell & Liddell LLP
23.1	Consent of Locke Lord Bissell & Liddell LLP (contained in Exhibit 5.1)
23.2	Consent of KPMG LLP
24.1	Power of Attorney (included on signature page)