

STEWART INFORMATION SERVICES CORP

Form 11-K

June 11, 2010

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

**Form 11-K**

þ **Annual Report pursuant to Section 15(d) of The Securities Exchange Act of 1934.**

**For the fiscal year ended December 31, 2009.**

**or**

o **Transition Report pursuant to Section 15(d) of The Securities Exchange Act of 1934.**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_.**

**Commission file number 1-02658**

**A. Full title of the plan and the address of the plan, if different from that of the issuer named below:**

**Stewart Salary Deferral Plan**

**1980 Post Oak Blvd**

**Houston, TX 77056-3899**

**B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:**

**Stewart Information Services Corporation**

**(a Delaware Corporation)**

**74-1677330**

**1980 Post Oak Blvd**

**Houston, Texas 77056-3899**

**Telephone Number - Area Code (713) 625 -8100**

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**Required Information**

The following financial statements prepared in accordance with the financial reporting requirements of the Employee Retirement Income Security Act of 1974, signature and exhibit are filed for the Stewart Salary Deferral Plan:

**Report of Independent Registered Public Accounting Firm**

**Financial Statements:**

Statements of Net Assets Available for Benefits December 31, 2009 and 2008

Statement of Changes in Net Assets Available for Benefits Year Ended December 31, 2009

**Notes to Financial Statements December 31, 2009 and 2008**

**Supplemental Schedules:**

Supplemental Schedule H, Line 4a Schedule of Delinquent Participant Contributions Year Ended December 31, 2009

Supplemental Schedule H, Line 4i Schedule of Assets (Held at End of Year) December 31, 2009

**Signature**

**Exhibit 23.1 Consent of Independent Registered Public Accounting Firm**

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**STEWART SALARY DEFERRAL PLAN**  
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Schedules not listed above are omitted because of the absence of conditions under which they are required under the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

EX-23.1

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**Report of Independent Registered Public Accounting Firm**

To the Administrative Committee

Stewart Salary Deferral Plan:

We have audited the accompanying statements of net assets available for benefits of the Stewart Salary Deferral Plan (the Plan ) as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2009 and 2008, and the changes in its net assets available for benefits for the year ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule H, line 4a schedule of delinquent participant contributions for the year ended December 31, 2009 and schedule H, line 4i schedule of assets (held at end of year) as of December 31, 2009 are presented for the purpose of additional analysis and are not a required part of the 2009 basic financial statements but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules are the responsibility of the Plan s management. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the 2009 basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the 2009 basic financial statements taken as a whole.

/s/ MFR, P.C.

Houston, Texas

June 11, 2010

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**STEWART SALARY DEFERRAL PLAN**  
 Statements of Net Assets Available for Benefits  
 December 31, 2009 and 2008

	<b>2009</b>	<b>2008</b>
<b>ASSETS:</b>		
Investments, at fair value	\$ 198,755,426	\$ 182,719,407
Noninterest bearing cash		1
Receivables:		
Company contributions, net of forfeitures		118,747
Plan participants contributions	489,587	503,866
Plan participants loan repayments	105,100	101,308
Securities sales receivable	68,191	14,012
Other plan receivable	18,750	12,500
Accrued income on investments	278	274
Total receivables	681,906	750,707
Total assets	199,437,332	183,470,115
<b>LIABILITIES:</b>		
Securities purchases payable	605,160	547,518
Administrative expense payable	20,000	12,500
Excess contribution refunds	196,966	110,424
Total liabilities	822,126	670,442
Total net assets available for benefits	\$ 198,615,206	\$ 182,799,673

See accompanying notes to financial statements.

**Table of Contents****STEWART SALARY DEFERRAL PLAN**Statement of Changes in Net Assets Available for Benefits  
Year Ended December 31, 2009

## ADDITIONS TO NET ASSETS:

## Contributions:

Plan participants	\$ 14,090,596
Rollovers	580,383

Total contributions	14,670,979
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## Net investment income:

Dividends and capital gains	2,292,948
Interest	584,064
Net appreciation of investments	23,111,749

Total net investment income	25,988,761
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Other plan income	81,250
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Total additions to net assets	40,740,990
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## DEDUCTIONS FROM NET ASSETS:

Benefits paid to participants	24,610,563
Excess contribution refunds	196,966
Administrative expenses	117,928

Total deductions from net assets	24,925,457
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Net increase in net assets available for benefits	15,815,533
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## NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year	182,799,673
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End of year	\$ 198,615,206
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See accompanying notes to financial statements.

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**STEWART SALARY DEFERRAL PLAN**

Notes to Financial Statements

December 31, 2009 and 2008

**(1) DESCRIPTION OF THE PLAN**

The Stewart Salary Deferral Plan (the Plan ) is a defined contribution plan adopted effective January 1, 1986 and sponsored by Stewart Title Guaranty Company ( STG ). STG is a wholly owned subsidiary of Stewart Information Services Corporation ( SISCO ). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ( ERISA ).

The Plan is administered by STG (the Plan Administrator ) and Wells Fargo Bank of Texas, N.A., the Plan s trustee and record keeper ( Wells Fargo ). An administrative committee of executives (the Administrative Committee ) has been appointed by the Board of Directors of STG to assist with the responsibility for overseeing the operation of the Plan, including the monitoring of Wells Fargo.

During 2008, the Plan was amended and restated in its entirety to update for prior amendments and conform to current regulations. In 2009, the Plan was also amended to conform to current regulations.

The summary of significant provisions of the Plan presented below provides general information. Participants should refer to the Plan agreement for a more complete description of the Plan s provisions.

**(a) Employee Participation**

The Plan is made available to eligible employees of STG and its affiliates (collectively the Company ). All employees who have completed ninety days (90) of service and work a minimum number of hours, as defined by the Plan, are eligible to participate in the Plan.

**(b) Contributions**

Plan participants may defer up to fifty percent (50%) of considered compensation into the Plan, subject to certain limitations under the Internal Revenue Code (the IRC ). A participant may make deferrals on a pretax or after-tax basis, or a combination of both, which will be accounted for in separate accounts. Highly compensated participants may be required to reduce the amount of contributions made in order to permit the Plan to satisfy the nondiscrimination requirements of Section 401(k) of the IRC. Participants may designate the extent to which such reductions are made from pretax or after-tax accounts, subject to certain limitations. As of December 31, 2009 and 2008, excess contribution refunds were due to Plan participants in the amount of \$196,966 and \$110,424, respectively. Participants who are age 50 or older before the close of the Plan year may elect to make a catch-up contribution, subject to certain limitations under the IRC.

The Company s matching contribution is equal to fifty cents for each one dollar of considered compensation contributed (other than catch-up contributions) up to a maximum of six percent (6%) of each participant s considered compensation (pretax and after-tax), subject to a maximum defined by the Plan. The Company may utilize available forfeitures to offset matching contributions to the Plan. On November 21, 2008, STG s Board of Directors voted to temporarily suspend the Company s matching contributions effective January 1, 2009.



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**STEWART SALARY DEFERRAL PLAN**

Notes to Financial Statements

December 31, 2009 and 2008

The Plan allows for a Company discretionary contribution as determined annually by STG's Board of Directors. The discretionary contribution, if any, shall be calculated quarterly (or annually, if elected) and allocated equally to all eligible participants, in accordance with the Plan's provisions. The Company may utilize available forfeitures to offset discretionary contributions to the Plan. The Plan had no discretionary contributions during 2009.

Employees are permitted to rollover pretax or after-tax amounts with earnings held in other qualified plans or conduit individual retirement accounts (IRAs) into the Plan, subject to the provisions in the Plan document.

**(c) Participant Accounts**

Each participant's account is credited with the elected deferral amount, the Company's employer matching contribution, a Company discretionary contribution, if any, and an allocation of Plan earnings. Net investment income (loss) is allocated to participants' accounts daily based on the proportion that each participant's account balance bears to the participant account balances in each investment fund.

**(d) Investment Options**

Employees may elect to have their contributions allocated among various investment options offered by the Plan. As of December 31, 2009, the Plan offers fifteen mutual funds, one common collective trust fund, and the SISCO Stock Fund as investment options. Certain limitations apply under the Plan. During 2009, certain changes to investment options offered by the Plan were made.

The SISCO Stock Fund is invested primarily in SISCO common stock. The remaining portion of the fund is invested in the Wells Fargo Short Term Investment Fund G, a common collective trust fund, which is not available as an investment option. Wells Fargo is entitled to exercise voting rights attributable to SISCO common stock allocated to accounts of participants and beneficiaries in accordance with the Plan.

The Plan utilizes the Wells Fargo Advantage Cash Investment Money Market Service Fund (the Expense Reserve Fund), a mutual fund, for the investment of funds deposited for the payment of administrative expenses for the Plan. This fund is nonparticipant-directed, which is not available as an investment option by Plan participants.

**(e) Vesting and Payment of Benefits**

Participants in the Plan prior to January 1, 1989, are eligible to receive payment of the total account balance upon normal retirement at age sixty-five (65), death, disability or other termination of employment.

Participants in the Plan on or after January 1, 1989 are eligible to receive payment of the total account balance upon normal retirement at age sixty-five (65), death or disability. Upon other termination of employment, participants are eligible to receive payment of the total account balance if they have

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**STEWART SALARY DEFERRAL PLAN**

Notes to Financial Statements

December 31, 2009 and 2008

completed three (3) years of service. Participants who have completed less than three (3) years of service are eligible to receive payment of all employee contributions, but forfeit Company matching and discretionary contributions and related earnings on such contributions.

In addition, participants who have attained age 70 1/2 may elect to withdraw all or a portion of their vested accounts while they are still employed by the Company in the form of an in-service distribution.

Forfeited amounts may be used to reduce future Company matching or discretionary contributions, to pay administrative expenses of the Plan, or to reinstate former participant balances. During 2009, no forfeitures were utilized to reduce Company matching or discretionary contributions or to pay administrative expenses of the Plan. Distributions may be paid in a lump sum or in installments, subject to the provisions of the Plan, including taxation. Participants with account balances greater than \$1,000 may defer receipt of their distributions until they are required by law to receive minimum required distributions. If the participants' vested account balance is \$1,000 or less, payment must be made in a lump-sum distribution. Direct rollovers from the Plan to an IRA or other qualified plan are permitted for pretax and after-tax accounts, subject to certain limitations.

There were no amounts allocated to withdrawing participants for amounts that have been processed and approved for payment prior to December 31, 2009 and 2008, but not yet paid as of that date.

**(f) Participant Loans**

A participant may borrow a minimum of \$1,000 up to a maximum amount equal to the lesser of \$50,000 or fifty percent (50%) of the vested account balance, subject to the Plan's provisions. The terms of the loan include interest at a commercially reasonable rate similar to the prime interest rate, as set quarterly by the Administrative Committee.

**(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Accounting**

The accompanying financial statements are prepared using the accrual basis of accounting. Benefits paid to participants are recorded when paid.

Loan administration fees and mutual fund redemption fees are paid from Plan assets and allocated to the effected participant accounts. Certain investment consulting fees are paid from amounts deposited to pay administrative expenses and thus are not allocated to participants. All administrative expenses not paid by the Plan are paid by the Company.

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**STEWART SALARY DEFERRAL PLAN**

Notes to Financial Statements

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**(b) Fair Value Measurements**

ASC 820, *Fair Value Measurements and Disclosures* (ASC 820), establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Mutual funds: Valued at the net asset value (NAV) of shares held by the Plan at year end.

Common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Common collective trust funds: Valued at the fair value of the underlying securities.

Participant loans: Valued at amortized cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or

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Notes to Financial Statements

December 31, 2009 and 2008

assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the ASC 820 fair value hierarchy, the Plan's assets at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity funds -				
Large equity funds	\$ 57,889,092	\$	\$	\$ 57,889,092
Small equity funds	19,387,636			19,387,636
International equity fund	15,369,712			15,369,712
Total equity funds	92,646,440			92,646,440
Balanced funds	38,377,488			38,377,488
Money market funds	30,898,381			30,898,381
Fixed income funds	7,126,785			7,126,785
Total mutual funds	169,049,094			169,049,094
Common stock	3,184,085			3,184,085
Common collective trust funds:				
Fixed income funds		19,977,394		19,977,394
Money market fund		130,827		130,827
Total common collective trust funds		20,108,221		20,108,221
Participant loans			6,414,026	6,414,026
Total assets at fair value	\$ 172,233,179	\$ 20,108,221	\$ 6,414,026	\$ 198,755,426

The following table sets forth by level, within the ASC 820 fair value hierarchy, the Plan's assets at fair value as of December 31, 2008:

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 150,019,939	\$	\$	\$ 150,019,939
Common stock	6,352,824			6,352,824

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Common collective trust funds		19,970,917		19,970,917
Participant loans			6,375,727	6,375,727
Total assets at fair value	\$ 156,372,763	\$ 19,970,917	\$ 6,375,727	\$ 182,719,407

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Notes to Financial Statements

December 31, 2009 and 2008

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2009:

	Participant Loans
Beginning of year	\$ 6,375,727
Net appreciation of investments	
Purchases, sales, issuances, settlements and transfers, net	38,299
End of year	\$ 6,414,026

**(c) Investment Income**

Purchases and sales of securities are recorded on a trade-date basis. Interest is recorded as earned and dividend and capital gain income is recorded on the ex-dividend date. Realized gains (losses) on investments sold during the year and unrealized appreciation (depreciation) of investments held at year end are combined and presented as net appreciation (depreciation) of investments.

**(d) Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**(e) Risks and Uncertainties**

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

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Notes to Financial Statements

December 31, 2009 and 2008

**(3) INVESTMENTS**

The following table presents all Plan investments (participant-directed and non-participant directed) which exceed 5% of the Plan's net assets at December 31, 2009 and 2008:

	<b>2009</b>	<b>2008</b>
Wells Fargo Bond Index Fund N	\$ 19,977,394	\$ 19,649,973
Wells Fargo Advantage Cash Investment Money Market Fund I	30,895,859	32,661,677
Wells Fargo Advantage Index Fund	27,539,943	23,999,974
Wells Fargo Dow Jones Target 2020 Fund I	14,872,013	13,630,975
Dodge & Cox Stock Fund	19,231,789	14,392,730
Janus Forty Fund Class S (formerly Janus Advisor Forty Fund - Class S)	11,117,360	8,490,217*
Fidelity Advisor Spartan International Index Fund Class I	15,369,712	*
Fidelity Advisor Diversified International Fund Class I	*	12,784,501

\* presented for comparative purposes only

The following table presents the net appreciation (depreciation) of all Plan investments (participant-directed and non-participant directed) for the year ended December 31, 2009 by investment type:

Mutual funds	\$ 25,600,799
Common stock	(3,292,418)
Common collective trust funds	803,368
Total net appreciation of investments	\$ 23,111,749

**(4) NONPARTICIPANT-DIRECTED INVESTMENTS**

The Plan invests funds deposited for the payment of administrative expenses in the Expense Reserve Fund, which is non-participant directed. The following table presents information about the net assets relating to the nonparticipant-directed Plan investment at December 31, 2009 and 2008:

	<b>2009</b>	<b>2008</b>
Net Assets:		
Investment in mutual funds	\$ 2,522	\$ 7
Receivable for other plan income	18,750	12,500
Total assets	21,272	12,507
Administrative expense payable	20,000	12,500

Total net assets	\$ 1,272	\$ 7
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Notes to Financial Statements

December 31, 2009 and 2008

The following table presents information about the significant changes in net assets relating to the nonparticipant-directed Plan investment for the year ended December 31, 2009:

Changes in Net Assets:	
Interest on mutual funds	\$ 15
Other plan income	81,250
Administrative expenses	(80,000)
Total changes in net assets	 \$ 1,265

**(5) RELATED-PARTY TRANSACTIONS**

Wells Fargo is the trustee of the Plan. Certain Plan investments are shares of mutual funds and common collective trust funds managed by Wells Fargo. During 2009, the Plan paid administrative expenses to Wells Fargo for loan administration fees and mutual fund redemption fees of \$37,928. In addition, receipts from Wells Fargo totaled \$81,250 for 2009, including amounts receivable as of December 31, 2009 and 2008, of \$18,750 and \$12,500, respectively. These transactions qualify as party-in-interest transactions.

Dabney Investment Consulting Associates, Inc. (Dabney) is an investment advisor for the Plan. Administrative expenses paid by the Plan to Dabney for investment consulting fees totaled \$80,000 for 2009, including amounts payable as of December 31 2009 and 2008, of \$20,000 and \$12,500, respectively. Therefore, these transactions qualify as party-in-interest transactions.

Certain Plan investments are shares of SISCO common stock, and thus, these transactions qualify as party-in-interest transactions.

These transactions are covered by an exemption from the prohibited transaction provisions of ERISA and the IRC.

**(6) PLAN TERMINATION**

The Plan Administrator has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA. The Plan Administrator has temporarily suspended matching contributions to the Plan effective January 1, 2009, however, has expressed no intent to terminate the Plan. In the event of Plan termination, the net assets would be allocated among the participants and beneficiaries of the Plan in accordance with the provisions of the Plan.

**(7) TAX STATUS**

The Plan received its latest favorable determination letter dated August 12, 2008, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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**STEWART SALARY DEFERRAL PLAN**

Notes to Financial Statements

December 31, 2009 and 2008

**(8) SUBSEQUENT EVENTS**

Subsequent events have been evaluated through June 11, 2010, which is the date the financial statements were issued. By letter dated February 4, 2010, the U.S. Department of Labor (DOL) initiated a review of the Plan's operations. The DOL informed the Plan's sponsor, STG, on March 22, 2010, that it had found STG delinquent in remitting certain participants' contributions to the Plan. STG responded to the DOL in writing on March 22, 2010 of its proposed corrective action to prospectively reduce the time to remit payroll contributions to two business days following payroll pay dates from its former practice of two to five business days. The DOL informed STG, by letter dated April 13, 2010, that the prospective corrective action for participant contribution remittances was sufficient and that no further action would be taken. STG followed with a letter to the DOL on May 8, 2010 with agreement to implement the prospective corrective action plan.

During May 2010, the Plan was amended to reduce the minimum required age for receipt of in-service distributions from age 70 1/2 to age 59 1/2, to be effective during July 2010.

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**STEWART SALARY DEFERRAL PLAN**

Schedule H, Line 4a Schedule of Delinquent Participant Contributions  
Year Ended December 31, 2009

Plan Sponsor Number: 74-0924290

Plan Number: 002

**Participant Contributions  
Transferred Late to Plan (including  
Participant Loan Repayments)**

\$13,174,020

**Total that Constitute Nonexempt  
Prohibited Transactions  
Corrected Outside VFCP**

\$13,174,020

See accompanying report of independent registered public accounting firm.

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Schedule H, Line 4i Schedule of Assets (Held at End of Year)

December 31, 2009

Plan Sponsor Number: 74-0924290

Plan Number: 002

<b>Party-in-interest</b>	<b>Identity of issuer, borrower, lessor, or similar party</b>	<b>Description of investment including maturity date, rate of interest, collateral, par or maturity value</b>	<b>Cost</b>	<b>Current value</b>
<b>Participant Directed Investments:</b>				
*	Wells Fargo Bank of Texas, N.A.	Bond Index Fund N	** \$	19,977,394
*	Wells Fargo Bank of Texas, N.A.	Advantage Cash Investment Money Market Fund Class I	**	30,895,859
*	Wells Fargo Bank of Texas, N.A.	Advantage Index Fund Admin Class	**	27,539,943
*	Wells Fargo Bank of Texas, N.A.	Dow Jones Target 2010 Fund I	**	8,113,057
*	Wells Fargo Bank of Texas, N.A.	Dow Jones Target 2020 Fund I	**	14,872,013
*	Wells Fargo Bank of Texas, N.A.	Dow Jones Target 2030 Fund I	**	9,318,013
*	Wells Fargo Bank of Texas, N.A.	Dow Jones Target 2040 Fund I	**	4,512,125
*	Wells Fargo Bank of Texas, N.A.	Dow Jones Target 2050 Fund I	**	640,246
*	Wells Fargo Bank of Texas, N.A.	Dow Jones Target Today Fund I	**	922,034
	Invesco AIM Investment Services, Inc.	Small Cap Growth Fund Class I	**	4,166,807
	Dodge & Cox Funds	Stock Fund	**	19,231,789
	Dreyfus Family of Funds	Small Cap Stock Index Fund	**	8,514,089
	Goldman Sachs Funds	Small Cap Value Fund	**	6,706,740
	Goldman Sachs Funds	Short Duration Government Fund Class I	**	7,126,785
	Janus Funds	Forty Fund Class S	**	11,117,360
	Fidelity Investments	Advisor Spartan International Fund Class I	**	15,369,712
*	Stewart Information Services Corporation	Common Stock	**	3,184,085
*	Wells Fargo Bank of Texas, N.A.	Short Term Investment Fund G	**	130,827
*	Participant loans	Interest rates from 4.50% to 9.75%	**	6,414,026
<b>Non-participant Directed Investment:</b>				
*	Wells Fargo Bank of Texas, N.A.	Advantage Cash Investment Money Market Service Fund	\$7	2,522
<b>Total (Held at End of Year)</b>			<b>\$</b>	<b>198,755,426</b>

\* A party-in-interest as defined by

ERISA.

\*\* Cost information is not required as these assets are participant-directed.

See accompanying report of independent registered public accounting firm.

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**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Administrative Committee of the Stewart Salary Deferral Plan has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 11, 2010

By: /s/ Larry Davis  
Larry Davis, STG Senior Vice President  
and  
Chairman - Administrative Committee of  
the Stewart Salary Deferral Plan

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