

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND
BUSINESS SERVICES

In the Matter of the Proposed Merger of
Stewart Title Insurance Company of Oregon
with and into Stewart Title Guaranty Company

Order of Exemption
Case No. INS 09-03-004

INTRODUCTION

By letter dated March 4, 2009, Stewart Title Guaranty Company (“STG”) filed a request for exemption from the provisions of Oregon Revised Statutes (“ORS”) 732.521(1) pursuant to ORS 732.521(2) with regard to the merger of Stewart Title Insurance Company of Oregon (“STICO”) into STG.

STICO is an Oregon insurance corporation authorized under ORS chapter 731 to transact title insurance business since July 29, 1997. STICO is a wholly owned subsidiary of STG.

STG is a Texas insurance corporation authorized under ORS chapter 731 to transact title insurance business in Oregon since March 20, 1980. STG is a wholly owned subsidiary of Stewart Information Services Company (“SISCO”).

SISCO is a publicly traded Delaware Holding Company. Through its subsidiaries, SISCO provides title insurance and related services to the real estate and mortgage industries. The ultimate controlling entity of both STICO and STG is SISCO.

FACTS PROVIDED

STICO will be merged with and into STG, and STICO will cease to exist. The merger will be effective June 15, 2010. STG will be the surviving corporation. The separate corporate existence of STG with all its rights, privileges, immunities, powers and franchises shall continue unaffected by the merger. STG will succeed to all the properties and assets of STICO and to all policyholder obligations, debts, causes of action and other interests due or belonging to STICO. STG will be subject to, and responsible for, all the debts, liabilities and duties of STICO as provided by applicable state law. The officers and directors of STG will not change as a result of the merger.

STG has represented that the purpose of the proposed merger is for the insurers to perform more efficiently through consolidating administrative costs.

The boards of directors of STG and STICO have approved the merger.

STG and the State of Oregon, by and through the Department of Consumer and Business Services, are party to a Settlement Agreement and Release, dated February 28, 1997 (the "Agreement"). This Order does not waive any rights, causes of action or legal remedies the State of Oregon, by and through the Department of Consumer and Business Services, has under the Agreement nor does it waive obligations or responsibilities STG has under the Agreement.

The merger does not affect a change of control within the holding company system because the ultimate controlling entity for STICO and STG is SISCO. SISCO will still remain the ultimate controlling person in the holding company system.

STICO will advertise the merger in an Oregon newspaper of public circulation on three consecutive days. Because STG has been reinsuring STICO policies since inception in 1997, each current policyholder's policy provides information on how to report a claim. The reporting address is a P. O. Box that will continue to be maintained by STG. All title policies issued after the merger is effective will reflect the name of the merged company, STG. No action on the policyholder's part will be required. STICO policyholders may continue to contact their STICO agent. All agents for STICO are also appointed as agents for STG. A letter will be sent to all Oregon agents advising of the merger. There are no current plans to close any Oregon offices or terminate Oregon staff. The offices and staff will become offices and staff of STG.

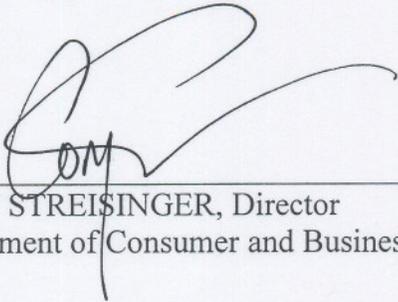
CONCLUSION OF LAW

The proposed merger meets the requirements for exemption from the provisions of ORS 732.521(1) pursuant to ORS 732.521(2).

ORDER

Based on the foregoing facts provided and conclusion of law, it is hereby ordered that the request submitted by Stewart Title Guaranty Company to merge Stewart Title Insurance Company of Oregon with and into Stewart Title Guaranty Company is exempt from the provisions of ORS 732.521(1) pursuant to ORS 732.521(2).

Issued this 3rd day of June, 2010.



CORY STREISINGER, Director
Department of Consumer and Business Services