

STEWART INFORMATION SERVICES CORP

Form 8-K

February 04, 2019

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**

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): February 4, 2019 (January 31, 2019)

STEWART INFORMATION SERVICES CORPORATION

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE 001-02658 74-1677330
(STATE OR OTHER (COMMISSION FILE NO.) (I.R.S. EMPLOYER

JURISDICTION)

IDENTIFICATION NO.)

1980 Post Oak Blvd, Houston, Texas 77056

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (713) 625-8100

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

On January 31, 2019, the New York State Department of Financial Services (“NYDFS”) provided written notice to Fidelity National Financial, Inc. (“FNF”) of its disapproval of FNF’s application to acquire control of Stewart Title Insurance Company (“Stewart New York”), a New York domiciled title insurance company licensed only in the State of New York. Stewart New York is a wholly-owned subsidiary of Stewart Information Services Corporation (“Stewart”). Receipt of approval from the NYDFS is one of the conditions to the closing of FNF’s pending acquisition of Stewart (the “Acquisition”). To date, FNF has received 28 Form E state regulatory approvals in addition to certain international approvals relating to the Acquisition.

Stewart and FNF continue to work actively to satisfy all of the regulatory conditions to the closing of the Acquisition, including with the Federal Trade Commission, the Texas Department of Insurance, and the NYDFS. As part of that process, the parties intend to reach out to the NYDFS to discuss the notice and seek to resolve the concerns raised therein, with which they respectfully disagree.

Forward-Looking Statements

This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, but not limited to, Stewart’s expectations or predictions of future financial or business performance conditions. All statements, other than statements of historical or current fact, included in this communication that address activities, events, conditions or developments that Stewart expects, believes or anticipates will or may occur in the future are forward-looking statements. You can generally identify forward-looking statements by the use of forward-looking terminology such as “anticipate,” “believe,” “can,” “continue,” “could,” “estimate,” “evaluate,” “explore,” “forecast,” “guidance,” “intend,” “likely,” “may,” “might,” “outlook,” “plan,” “potential,” “predict,” “probable,” “p,” “should,” “view,” or “will,” or the negative thereof or other variations thereon, or comparable terminology. Forward looking statements give our current expectations and projections relating to our financial conditions, results of operations, plans, objectives, future performance and business and these statements are not guarantees of future performance. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected. The forward looking statements in this communication speak only as of the date of this communication. Stewart assumes no duty to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, as of any future date. The risks and uncertainties which forward-looking statements are subject to include, but are not limited to: changes in general economic, business and political conditions, including changes in the financial markets; weakness or adverse changes in the level of real estate activity, which may be caused by, among other things, high or increasing interest rates, a limited supply of mortgage funding or a weak U. S. economy; our potential inability to find suitable acquisition candidates; our dependence on distributions from our title insurance underwriters as a main source of cash flow; significant competition that our operating subsidiaries face; compliance with extensive government regulation of our operating subsidiaries; the risk that the necessary regulatory approvals for the Acquisition may not be obtained or may be obtained subject to conditions that are not anticipated; risks that any of the closing conditions to the Acquisition may not be satisfied in a timely manner; the risk that the businesses of Stewart and FNF will not be integrated successfully following the Acquisition, that such integration may be more difficult, time-consuming or costly than expected or that the expected benefits of the Acquisition will not be realized; and other risks detailed in the

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risk factors discussed in “Item 1.A. Risk Factors” in Stewart’s and FNF’s most recent Annual Reports on Form 10-K, as updated by any Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, the registration statement FNF filed with the U.S. Securities and Exchange Commission (“SEC”) on May 30, 2018 on Form S-4 containing a proxy statement/prospectus, as amended by Amendment No. 1 on July 12, 2018 and Amendment No. 2 on July 26, 2018, which was declared effective by the SEC on August 1, 2018, the definitive proxy statement Stewart filed on August 1, 2018 and other filings with the SEC.

SIGNATURE

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 thereunto duly authorized.

**STEWART
INFORMATION
SERVICES
CORPORATION**

By: /s/ David C. Hisey
*David C. Hisey, Chief
Financial Officer,
Secretary, Treasurer*

Date: February 4, 2019