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December 31, 2008

Jill Jacobi
Staff counsel, Corporate Division
California Department of Insurance
45 Fremont Street, 23rd Floor
San Francisco, CA 94105

Re: Cuesta Title Company

Dear Ms. Jacobi:

Due to the downturn in the economy and business, Stewart Title Company, the 80% majority owner of Cuesta Title Company, has notified Cuesta Title Company that it will no longer fund the operating losses of Cuesta Title Company. Consequently, Cuesta Title Company will voluntarily cease and desist taking orders for the issuance of title insurance or the opening of escrows as of December 31, 2008.

Effective at the opening of business, 8:00 AM on January 2, 2009, Stewart Title Guaranty Company, the sole underwriter of Cuesta Title Company will step in and take control and responsibility for closing or transferring all open escrows, including the issuance of title insurance as called for in the escrows to be closed.

Stewart Title Guaranty Company will also take control of and safeguard the funds in all Trust Accounts currently in the name of or controlled by Cuesta Title Company.

Finally, Stewart Title Guaranty Company will diligently work and cooperate with the California Department of Insurance regarding the winding down of the Cuesta operation.

Thank you for your input during yesterday's conversation and we look forward to speaking with you again on January 6, 2009 at which time we will present our plan for the orderly and legally compliant winding down of the Cuesta operation.

Sincerely,

A handwritten signature in black ink that reads "Robert M. Cavallaro".

Consented to by Cuesta Title Company

By: A handwritten signature in black ink that reads "Kathy Reese".
Kathy Reese, President