

## Kingsway Financial Services Inc. Announces Sale of Assigned Risk Solutions Ltd. to National General Holdings Corp.

**Deal Value: \$47 million**

Sandler O'Neill served as financial advisor to Kingsway Financial Services in connection with this transaction. Overall, this represents Sandler O'Neill's 92<sup>nd</sup> financial services transaction since January 1, 2014, more than any other investment bank during that time period.<sup>(1)</sup>

Since January 1, 2012, Sandler O'Neill has advised on 9 insurance brokerage transactions, more than any other full-service investment bank during that time period.<sup>(2)</sup>

Toronto, Ontario – (TSX: KFS, NYSE: KFS) Kingsway Financial Services Inc. (“Kingsway”) announced today that it has closed on the sale of its subsidiary, Assigned Risk Solutions Ltd. (“ARS”), to National General Holdings Corp. (“National General”), for \$47 million in cash and potential future earnout payments. ARS is a managing general agent and third-party administrator licensed in twenty-two states with a primary focus on the assigned risk automobile market.

“This business came together following the acquisition of JBA Associates, Inc. in 2010, our first acquisition under new Kingsway management,” stated Larry G. Swets, Jr., Kingsway’s President and CEO. “Today’s sale represents a successful execution of our merchant banking approach to acquiring interesting businesses at attractive terms run by good management teams and allowing them to operate under the Kingsway umbrella. The time was now right for a new owner to enable ARS to achieve greater success, and we look forward to watching ARS continue to grow as part of National General.”

National General Holdings Corp., headquartered in New York City, is a specialty personal lines insurance holding company. National General traces its roots to 1939, has a financial strength rating of A- (excellent) from A.M. Best, and provides personal and commercial automobile, homeowners, umbrella, recreational vehicle, motorcycle, supplemental health, and other niche insurance products.

Kingsway is a holding company functioning as a merchant bank with a focus on long-term value-creation. The Company owns or controls stakes in several insurance industry assets and utilizes its subsidiaries, 1347 Advisors LLC and 1347 Capital LLC, to pursue opportunities acting as an advisor, an investor and a financier. The common shares of Kingsway are listed on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol “KFS.”

(1) Source: SNL Financial. Includes financial services transactions in all geographies since January 1, 2014. Excludes terminated transactions, self-advisory roles and managed care transactions.

(2) Source: SNL Financial. Full service investment banks defined as those with an average disclosed deal value of \$25 million or greater. Excludes terminated transactions, self-advisory roles and managed care insurance brokerage transactions.

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