

SEC Form 4

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0287
Expires:	December 31, 2014
Estimated average burden hours per response:	0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>STILWELL JOSEPH</u>  (Last) (First) (Middle) <u>111 BROADWAY, 12TH FLOOR</u>  (Street) <u>NEW YORK NY 10006</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>KINGSWAY FINANCIAL SERVICES INC</u> [ KFS ]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>09/18/2012</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	09/18/2012		P		41,900	A	\$2.006	2,316,583 <sup>(1) (3)</sup>	D	
Common Stock	09/19/2012		P		36,300	A	\$2.05	2,352,883 <sup>(1) (2)</sup>	D	

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date					

1. Name and Address of Reporting Person\*  
STILWELL JOSEPH  
 (Last) (First) (Middle)  
111 BROADWAY, 12TH FLOOR  
 (Street)  
NEW YORK NY 10006  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
Stilwell Value LLC  
 (Last) (First) (Middle)  
111 SW BROADWAY, 12TH FLOOR  
 (Street)

NEW YORK	NY	10006
(City)	(State)	(Zip)

**Explanation of Responses:**

1. Total reflects four-for-one share consolidation effected by the Company on July 3, 2012.
2. Joseph Stilwell, Stilwell Value Partners III, L.P., Stilwell Value Partners IV, L.P., Stilwell Associates, L.P., and Stilwell Associates Insurance Fund of the S.A.L.I. Multi-Series Fund L.P. directly own 125,000; 750,000; 750,000; 669,148; and 58,736 shares of common stock. The aggregate shares are owned indirectly by all reporting owners through Joseph Stilwell's capacities as the managing member and 99% owner of Stilwell Value LLC, which is the general partner of Stilwell Value Partners III, Stilwell Value Partners IV, and Stilwell Associates, and the managing and sole member of Stilwell Advisers LLC, which provides investment advice to Stilwell SALI Fund.
3. The share balance prior to this transaction has been updated to correct a one (1) share discrepancy with respect to the common shares subject to the July 3, 2012 share consolidation.

Emily Norris, by power of  
attorney 09/20/2012

\*\* Signature of Reporting Person    Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**