

**For Immediate Release**

**TSE SYMBOL: KFS**

## **KINGSWAY ACQUIRES LONG-HAUL TRUCKING PORTFOLIO**

**Toronto, Ontario (May 18, 2000)** – Kingsway Financial Services Inc. ("Kingsway") today announced that its subsidiary, Kingsway General Insurance Company ("Kingsway General"), had acquired the renewal rights for a portfolio of long-haul trucking insurance in Canada.

Kingsway General has acquired the renewal rights for fleet business (10 or more vehicles) from AXA Canada subsidiaries ("AXA"), which produced annual premiums in 1999 of \$23 million. AXA have announced that they intend to retire from the business of insuring fleets of 10 or more vehicles on July 1, 2000, and Kingsway General has agreed to offer renewal terms on the expiration of these policies. Kingsway's premiums from long-haul trucking and other commercial automobile classes were \$85.9 million in 1999, approximately 17% of total premiums written.

Under the agreement, existing AXA brokers will have access to the coverages offered by Kingsway General, and Kingsway General will pay an overriding commission to AXA based on the amount of business that Kingsway retains.

"We are pleased to announce the acquisition of this book of business for our Canadian operations", said Bill Star, President and Chief Executive Officer. "This is an important step for Kingsway in this under-served specialty class of business. We will work closely with AXA Canada and leverage our expertise to ensure a smooth transition for brokers and insureds. We will obtain full access to all of the current records and future records related to this book of business."

### **About the Company**

Kingsway's primary business is the insuring of automobile risks for drivers who do not meet the criteria for coverage by standard automobile insurers. The Company currently operates through nine wholly owned subsidiaries in Canada and the United States. Canadian subsidiaries include Kingsway General Insurance Company, York Fire & Casualty Insurance Company and Jevco Insurance Company. U.S. subsidiaries include Universal Casualty Company, American Service Insurance Company, Southern United Fire Insurance Company, Walshire Assurance Company, Hamilton Investments, Inc. and Avalon Risk Management, Inc. The Company also operates reinsurance subsidiaries in Barbados and Bermuda. Kingsway Financial, Kingsway General, York Fire and Jevco are all rated "A" Excellent by A.M. Best. The common shares of Kingsway Financial Services Inc. are listed on the Toronto Stock Exchange, under the trading symbol "KFS".

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**For further information, please contact:**

**Shaun Jackson, Executive Vice President and Chief Financial Officer**

**Tel: (905) 629-7888**

**Fax: (905) 629-5008**

**Web Site: [www.kingsway-financial.com](http://www.kingsway-financial.com)**