

KINGSWAY ANNOUNCES EXECUTIVE APPOINTMENTS

Toronto, Ontario (May 7, 2002) – William G. Star, Chairman and Chief Executive Officer of Kingsway Financial Services Inc., is pleased to announce the appointments of Gary Bhojwani as President of Lincoln General Insurance Company (“Lincoln”) and Scott Wollney as President of Avalon Risk Management, Inc. (“Avalon”). Gary Orndorff will continue in his position as Executive Vice President and General Manager of Lincoln and will work closely with Gary in his new role.

Mr. Bhojwani was formerly President of Avalon which is a wholly owned subsidiary of Kingsway. Mr. Bhojwani and Mr. Wollney founded Avalon in 1998 and since then have overseen its growth from the start up to its present day role as a logistics focused insurance company. Mr. Bhojwani and Mr. Wollney each have over 10 years experience which they will bring to their new roles.

“I am very pleased to announce the promotions of both Gary and Scott”, said Bill Star, President & Chief Executive Officer. “Gary and Scott are both young, dynamic individuals that have grown their experience within the Kingsway Group. It is particularly pleasing to be able to offer challenging and exciting opportunities within the Kingsway Group in order to attract and retain strong management.”

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 U.S. 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, Lincoln General Insurance Company, U.S. Security Insurance Company, American Country Insurance Company and Avalon Risk Management, Inc. The Company also operates reinsurance subsidiaries in Barbados and Bermuda. Kingsway Financial, Kingsway General, York Fire, Jevco and Kingsway Reinsurance (Bermuda) are all rated “A” Excellent by A.M. Best. The Company’s senior debt is rated ‘BBB’ (investment grade) by Standard and Poor’s. The common shares of Kingsway Financial Services Inc. are listed on the Toronto Stock Exchange and the New York Stock Exchange, under the trading symbol “KFS”.

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