

# **FAIRFAX News Release**

**Stock Symbol: FFH**

**TORONTO, April 27, 2000**

## **FAIRFAX AGREES TO ACQUIRE SENECA INSURANCE**

Fairfax Financial Holdings Limited has entered into a definitive agreement pursuant to which its Crum & Forster subsidiary will acquire Sen-Tech International Holdings, Inc., the holding company of Seneca Insurance Company, Inc., for US\$65 million.

Seneca, which is headquartered in Manhattan, will become a unit of Crum & Forster Insurance. In 1999, Seneca had net written premiums of US\$86.6 million and as at December 31, 1999, Sen-Tech had total assets of US\$169.6 million (including US\$101.3 million of investments), shareholders' equity of US\$56.9 million and approximately 120 employees.

The current management of Seneca has reduced the combined ratio of Seneca from 127 in 1989, when they joined, to under 100 over the last five years. In addition, since 1989, Seneca has had consistently favourable reserve development.

Crum & Forster plans to pay the purchase price with available cash.

Completion of this transaction is subject to the receipt of satisfactory applicable regulatory approvals and standard closing conditions. Completion of the merger is contemplated to occur in the summer of 2000.

Fairfax Financial Holdings Limited is a financial services holding company which, through its subsidiaries, is engaged in property, casualty and life insurance and reinsurance, investment management and insurance claims management.

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