

FAIRFAX *News Release*

Stock Symbol: TSE:FFH

TORONTO, July 8, 2002

FAIRFAX'S CRUM & FORSTER WITHDRAWS IPO; FAIRFAX UNWINDS S&P PUTS

Fairfax Financial Holdings Limited announces that, given current unfavourable market conditions, its wholly-owned subsidiary, Crum & Forster Holdings, has withdrawn the registration statement which it had filed with the U.S. Securities and Exchange Commission relating to a proposed initial public offering of its common stock.

Fairfax also advises that it has recently unwound US\$500 million of its US\$1.1 billion notional amount of S&P500 Index puts, realizing aggregate cash proceeds of US\$69 million (approximately Cdn\$106 million).

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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