



NEWS RELEASE

For immediate release:

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Hudson Insurance and Crum & Forster Realign D&O and E&O Operations

New York, NY – September 16, 2013 – Hudson Insurance Group (“Hudson”) and Crum & Forster (“C&F”) today are pleased to announce a strategic combination of their directors and officers (“D&O”) and management liability business. This move benefits our producers and policyholders by providing a more focused, efficient, and robust presence in the marketplace. Hudson and C&F are affiliated operations through common ownership under Fairfax Financial Holdings Limited.

C&F will transfer the following lines to Hudson’s Financial Products unit: public, private, and not for profit directors and officers liability; employment practices liability; and fiduciary liability. James J. Hooghuis, EVP and Chief Underwriting Officer for Hudson Financial Products stated, “This combination will significantly enhance our team and the service we provide to our producers and policyholders. This is yet another significant step for Hudson in continuing to build our management liability business.”

Crum & Forster will continue to grow its Crime and E&O capabilities. C&F’s professional liability product offerings include lawyers’ professional liability, technology errors and omissions, miscellaneous professional liability, cyber liability, and crime and fidelity. Along with his other responsibilities, Don Fischer, Senior Vice President of C&F, will lead and expand C&F’s E&O business, and will assist with the integration of the D&O business into Hudson.

Hudson’s D&O policies and related lines will be underwritten through Hudson Insurance Company (admitted) and Hudson Specialty Insurance Company (non-admitted). C&F’s E&O and Crime policies will continue to be underwritten through United States Fire Insurance Company and North River Insurance Company (admitted) and Crum & Forster Specialty Insurance Company (non-admitted).

Chris Gallagher, President and Chief Executive Officer of Hudson Insurance Group stated, “This transaction makes a great deal of sense for Fairfax and our partners as it provides more clarity, scale and focused resources to the business.”

Steve Mulready, Chief Operating Officer of Crum & Forster, stated, “This is an intelligent move between operations within the Fairfax family. Clients want dedicated teams of underwriters and claims professionals in this highly active segment of the market. C&F will continue to build

on our success in key areas of the professional liability marketplace, including segments such as E&O for law firms and other professional specialties, as well as various environmental classes. C&F has talented underwriting staff members and strong producer relationships in this arena.”

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Hudson Insurance Group is the U.S. Insurance Division of OdysseyRe, a leading worldwide underwriter of property and casualty reinsurance and specialty insurance. OdysseyRe is a wholly-owned subsidiary of Fairfax Financial Holdings Limited. Hudson specializes in primary and excess insurance underwritten by Hudson Programs, Hudson Healthcare, Hudson Financial Products, Hudson Environmental Products and Hudson Crop. Hudson provides admitted and non-admitted insurance predominantly through Hudson Insurance Company, Hudson Specialty Insurance Company and Hudson Excess Insurance Company; all rated "A" (Excellent) XV by A.M. Best Company. Hudson Insurance Company is admitted in all U.S. jurisdictions. Hudson has surplus lines eligibility in all U.S. jurisdictions through Hudson Specialty Insurance Company and Hudson Excess Insurance Company. For more information visit www.hudsoninsgroup.com.

Crum & Forster Enterprise, which is part of Fairfax Financial Holdings Limited, is comprised of leading and well-established property and casualty business units. The insurance companies within the Enterprise, rated A (Excellent) by A.M. Best Company, are: United States Fire Insurance Company, The North River Insurance Company, Crum and Forster Insurance Company, Crum & Forster Indemnity Company, Crum & Forster Specialty Insurance Company, Seneca Insurance Company, Inc., Seneca Specialty Insurance Company, First Mercury Insurance Company, and American Underwriters Insurance Company. For more information visit www.cfins.com.