



PRESS RELEASE

BUSINESS & FINANCIAL EDITORS
FOR IMMEDIATE RELEASE

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ZENITH ANNOUNCES SUCCESSFUL CONSENT SOLICITATION

WOODLAND HILLS, CALIFORNIA, May 26, 2010
Zenith National Insurance Corp. (“Zenith”) announced today that it has received the requisite consents from the holders of the 8.55% Capital Securities (Liquidation Amount of \$1,000 per Capital Security) (the “Capital Securities”) of Zenith National Insurance Capital Trust I to amend certain terms of the Indenture governing its 8.55% Subordinated Deferrable Interest Debentures due 2028 (the “Debentures”). The consent solicitation expired at 5:00 p.m. New York City time on May 26, 2010 (the “Expiration Time”).

Zenith has been advised by D.F. King & Co., Inc., the Tabulation Agent for the consent solicitation, that, as of the Expiration Time, consents were delivered and not revoked in respect of Capital Securities representing at least a majority of the \$58,500,000 in aggregate liquidation amount of Capital Securities outstanding and eligible to provide consent.

As a result of receiving such requisite consents, and since Zenith’s merger transaction with Fairfax Financial Holdings Limited closed on May 20, 2010, Zenith and Wells Fargo Bank, N.A. (as successor in interest to Norwest Bank Minnesota, National Association), as the trustee under the indenture governing the Debentures, will enter into a supplemental indenture implementing the amendments contemplated by the consent solicitation (the “Supplemental Indenture”). The amendments amend the indenture to allow Zenith to provide annual, audited, consolidated financial statements for Zenith and its subsidiaries prepared in accordance with Generally Accepted Accounting Principles in the United States and quarterly unaudited financial statements prepared in a consistent manner. The foregoing financial statements will be provided to holders of the Capital Securities in lieu of the reports Zenith currently files with the Securities and Exchange Commission and which are provided to holders of the Capital Securities under the existing indenture.

Following the entry into the Supplemental Indenture and the amendments becoming operative, Zenith will make a cash payment of \$2.00 per \$1,000 liquidation amount of Capital Securities to each holder that validly delivered (and did not validly revoke) its consent prior to the Expiration Time.

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www.thezenith.com

BofA Merrill Lynch acted as the sole Solicitation Agent for the consent solicitation. D. F. King & Co., Inc. acted as the Tabulation Agent.

About Zenith

Zenith National Insurance Corp., a Delaware corporation incorporated in 1971 and a wholly owned indirect subsidiary of Fairfax Financial Holdings Limited, is a holding company engaged, through its wholly owned subsidiaries, Zenith Insurance Company and ZNAT Insurance Company, in the workers' compensation insurance business, nationally.

Cautionary Statement Regarding Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements if accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those discussed. Statements containing words such as expect, anticipate, believe, estimate, likely or similar words that are used herein or in other written or oral information conveyed by or on behalf of Zenith are intended to identify forward-looking statements. Forward-looking statements are made based upon management's current expectations and beliefs concerning future developments and their potential effects on Zenith. Such forward-looking statements are not guarantees of future events. Actual results may differ materially from those contemplated by the forward-looking statements. There can be no assurance that other factors not currently anticipated by Zenith will not materially and adversely affect future events. Investors are cautioned not to place undue reliance on any forward-looking statements made by or on behalf of Zenith. Forward-looking statements speak only as of the date they are made. Zenith does not undertake any obligation to update or revise any forward-looking statement.