

ZENITH NATIONAL INSURANCE CORP (ZNT)

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Statement of changes in beneficial ownership of securities
Filed on 5/24/2010
Filed Period 5/20/2010



THOMSON REUTERS

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FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person * Coben Jerome L			2. Issuer Name and Ticker or Trading Symbol ZENITH NATIONAL INSURANCE CORP [ZNT]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 05/20/2010			<input checked="" type="checkbox"/> Director <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> 10% Owner <input type="checkbox"/> Other (specify below)		
5482 WILSHIRE BLVD., #1579			4. If Amendment, Date Original Filed (Month/Day/Year)			6. Individual or Joint/Group Filing (Check Applicable Line)		
(Street)						<input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person		
LOS ANGELES, CA 90036								
(City) (State) (Zip)								

Table I – Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	05/20/2010		D ⁽¹⁾		3,180	D	\$38	0	D	

Table II – Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Phantom Stock	⁽²⁾	05/20/2010		M ⁽²⁾			1,298.23	⁽²⁾	⁽²⁾	Common Stock	1,298.23	\$38	0	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Coben Jerome L 5482 WILSHIRE BLVD., #1579 LOS ANGELES, CA 90036	X			

Explanation of Responses:

- (1) Disposed of pursuant to the Agreement and Plan of Merger, dated as of February 17, 2010, among Zenith National Insurance Corp., Fairfax Financial Holdings Limited and Fairfax Investments II USA Corp. for cash consideration equal to \$38 per share.
- Each share of phantom stock is a deferred stock unit payable only in cash and is the economic equivalent of a share of the Issuer's common stock. Reporting Person's director compensation was deferred into deferred stock units pursuant to the terms of the Zenith National Insurance Corp. 2003
- (2) Non-employee Director Deferred Compensation Plan. Dividends payable on the common stock are deemed received on the deferred stock units and reinvested in deferred stock units. Pursuant to the terms of the plan, deferred stock units became payable in cash in a lump sum upon the Reporting Person's termination of service as a director on May 20, 2010.

Signatures

/s/ Hyman J. Lee Jr., attorney-in-fact

05/24/2010

