

FAIRFAX FINANCIAL HOLDINGS LTD/ CAN  
Form SC 13G/A  
February 12, 2016

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

**SCHEDULE 13G**

(Amendment No. 11)\*

Under the Securities Exchange Act of 1934

**Fairfax Financial Holdings Limited**

(Name of Issuer)

**Subordinate Voting Shares**

(Title of Class of Securities)

**303 901 102**

(CUSIP Number)

**December 31, 2015**

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, *see* the Notes).

CUSIP No. 303 901 102

13G

1	Names of Reporting Person/I.R.S. Identification Nos. of Above Persons (Entities Only) V. PREM WATSA
2	Check the Appropriate Box if a Member of a Group (a) <input type="radio"/> o (b) <input checked="" type="radio"/> x
3	SEC Use Only
4	Citizenship or Place of Organization CANADIAN
5	Sole Voting Power 90,934
6	Shared Voting Power 1,774,055
7	Sole Dispositive Power 90,934
8	Shared Dispositive Power 1,774,055
9	Aggregate Amount Beneficially Owned by Each Reporting Person 1,864,989
10	Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares <input type="radio"/> o
11	Percent of Class Represented by Amount in Row 9 8.1%
12	Type of Reporting Person IN

CUSIP No. 303 901 102

13G

1	Names of Reporting Person/I.R.S. Identification Nos. of Above Persons (Entities Only) 1109519 ONTARIO LIMITED
2	Check the Appropriate Box if a Member of a Group (a) <input type="radio"/> o (b) <input checked="" type="radio"/> x
3	SEC Use Only
4	Citizenship or Place of Organization ONTARIO, CANADA
5	Sole Voting Power
6	Shared Voting Power 1,598,620
7	Sole Dispositive Power
8	Shared Dispositive Power 1,598,620
9	Aggregate Amount Beneficially Owned by Each Reporting Person 1,598,620
10	Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares <input type="radio"/> o
11	Percent of Class Represented by Amount in Row 9 6.9%
12	Type of Reporting Person CO

CUSIP No. 303 901 102

13G

1	Names of Reporting Person/I.R.S. Identification Nos. of Above Persons (Entities Only) THE SIXTY TWO INVESTMENT COMPANY LIMITED
2	Check the Appropriate Box if a Member of a Group (a) <input type="radio"/> o (b) <input checked="" type="radio"/> x
3	SEC Use Only
4	Citizenship or Place of Organization BRITISH COLUMBIA, CANADA
5	Sole Voting Power
6	Shared Voting Power 1,598,620
7	Sole Dispositive Power
8	Shared Dispositive Power 1,598,620
9	Aggregate Amount Beneficially Owned by Each Reporting Person 1,598,620
10	Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares <input type="radio"/> o
11	Percent of Class Represented by Amount in Row 9 6.9%
12	Type of Reporting Person CO

CUSIP No. 303 901 102

13G

1	Names of Reporting Person/I.R.S. Identification Nos. of Above Persons (Entities Only) 810679 ONTARIO LIMITED
2	Check the Appropriate Box if a Member of a Group (a) <input type="radio"/> o (b) <input checked="" type="radio"/> x
3	SEC Use Only
4	Citizenship or Place of Organization ONTARIO, CANADA
5	Sole Voting Power
Number of Shares Beneficially Owned by Each Reporting Person With	6 Shared Voting Power 139,835
7	Sole Dispositive Power
8	Shared Dispositive Power 139,835
9	Aggregate Amount Beneficially Owned by Each Reporting Person 139,835
10	Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares <input type="radio"/>
11	Percent of Class Represented by Amount in Row 9 0.6%
12	Type of Reporting Person CO

CUSIP No. 303 901 102

13G

1	Names of Reporting Person/I.R.S. Identification Nos. of Above Persons (Entities Only) PRENSTIN HOLDINGS LIMITED
2	Check the Appropriate Box if a Member of a Group (a) <input type="radio"/> o (b) <input checked="" type="radio"/> x
3	SEC Use Only
4	Citizenship or Place of Organization ONTARIO, CANADA
5	Sole Voting Power
Number of Shares Beneficially Owned by Each Reporting Person With	6 Shared Voting Power 33,500
7	Sole Dispositive Power
8	Shared Dispositive Power 33,500
9	Aggregate Amount Beneficially Owned by Each Reporting Person 33,500
10	Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares <input type="radio"/> o
11	Percent of Class Represented by Amount in Row 9 0.1%
12	Type of Reporting Person CO

- Item 1** (a). Name of Issuer:  
Fairfax Financial Holdings Limited ( Fairfax )
- Item 1** (b). Address of Issuer's Principal Executive Offices:  
95 Wellington Street West, Suite 800, Toronto, Ontario, Canada M5J 2N7
- Item 2** (a). Name of Person Filing:  
This statement is being jointly filed by the following persons (collectively, the Reporting Persons ):
1. V. Prem Watsa, an individual;
  2. 1109519 Ontario Limited ( 1109519 ), a corporation incorporated under the laws of Ontario;
  3. The Sixty Two Investment Company Limited ( Sixty Two ), a corporation incorporated under the laws of British Columbia;
  4. 810679 Ontario Limited ( 810679 ), a corporation incorporated under the laws of Ontario; and
  5. Prenstin Holdings Limited ( Prenstin ), a corporation incorporated under the laws of Ontario.
- Item 2** (b). Address of Principal Business Office:  
The addresses of the Reporting Persons are as follows:
1. Mr. Watsa's business address is 95 Wellington Street West, Suite 800, Toronto, Ontario, Canada, M5J 2N7;
  2. The principal business address and principal office address of 1109519 is 95 Wellington Street West, Suite 800, Toronto, Ontario, Canada, M5J 2N7;
  3. The principal business address and principal office address of Sixty Two is 1600 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia, Canada, V6C 3L3;

4. The principal business address and principal office address of 810679 is 95 Wellington Street West, Suite 800, Toronto, Ontario, Canada, M5J 2N7; and

5. The principal business address and principal office address of Prenstin is 79 Wellington Street West, #3000, Toronto, Ontario, Canada, M5K 1N2.

**Item 2**

(c).

Citizenship:

V. Prem Watsa is a citizen of Canada.

**Item 2**

(d).

Title of Class of Securities:

Subordinate Voting Shares

**Item 2**

(e).

CUSIP Number:

303 901 102

**Item 3 If this statement is filed pursuant to Rule 13d-1(b), or 13d-2(b) or (c), check whether the person filing is a:**

- |     |                       |   |
|-----|-----------------------|---|
| (a) | <input type="radio"/> | Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o);  |
| (b) | <input type="radio"/> | Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c);  |
| (c) | <input type="radio"/> | Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c);  |
| (d) | <input type="radio"/> | An Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8);   |
| (e) | <input type="radio"/> | An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);   |
| (f) | <input type="radio"/> | An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);  |
| (g) | <input type="radio"/> | A parent holding company or control person, in accordance with §240.13d-1(b)(1)(ii)(G);   |
| (h) | <input type="radio"/> | A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);  |
| (i) | <input type="radio"/> | A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3); |
| (j) | <input type="radio"/> | A non-US institution in accordance with §240.13d-1(b)(1)(ii)(J);  |
| (k) | <input type="radio"/> | Group, in accordance with §240.13d-1(b)(1)(ii)(K).  |

**Item 4 Ownership.**

The aggregate number and percentage of the Subordinate Voting Shares of Fairfax ( Subordinate Voting Shares ) that are beneficially owned by each of the Reporting Persons, assuming full conversion of all of the convertible securities held by such Reporting Person, is set forth in boxes 9 and 11 of the second part of the cover page to this Schedule 13G, and such information is incorporated herein by reference.

The number of Subordinate Voting Shares as to which each of the Reporting Persons has sole voting power, shared voting power, sole dispositive power and shared dispositive power, assuming full conversion of all of the convertible securities held by such Reporting Person, is set forth in boxes 5, 6, 7 and 8, respectively, on the second part of the cover page to this Schedule 13G, and such information is incorporated herein by reference.

Sixty Two, which is controlled by 1109519, owns 50,620 Subordinate Voting Shares and 1,548,000 Multiple Voting Shares of Fairfax (which are convertible at any time into Subordinate Voting Shares on the basis of one Subordinate Voting Share for each Multiple Voting Share being converted). 810679 owns 139,835 Subordinate Voting Shares. Prenstin owns 33,500 Subordinate Voting Shares. V. Prem Watsa controls 1109519, Sixty Two, 810679 and Prenstin and himself beneficially owns an additional 90,934 Subordinate Voting Shares and exercises control or direction over an additional 2,100 Subordinate Voting Shares.

Neither the filing of this Schedule 13G nor the information contained herein shall be deemed to constitute an affirmation by V. Prem Watsa, 1109519, Sixty Two, 810679 or Prenstin that such person is the beneficial owner of the Subordinate Voting Shares referred to herein for purposes of Section 13(d) or 13(g) of the Securities Exchange Act of 1934, as amended, or for any other purpose, and such beneficial ownership is expressly disclaimed.

**Item 5 Ownership of Five Percent or Less of a Class.**

Not applicable.

**Item 6**

**Ownership of More than Five Percent on Behalf of Another Person.**

V. Prem Watsa exercises control or direction over 2,100 Subordinate Voting Shares held by certain members of his family. Such family members have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such Subordinate Voting Shares.

**Item 7**

**Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company.**

Not applicable.

**Item 8**

**Identification and Classification of Members of the Group.**

See attached Exhibit No. 1.

**Item 9**

**Notice of Dissolution of Group.**

Not applicable.

**Item 10**

**Certification.**

Not applicable.

**SIGNATURE**

After reasonable inquiry and to the best of the undersigned's knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: February 12, 2016

V. Prem Watsa

/s/ V. Prem Watsa

**SIGNATURE**

After reasonable inquiry and to the best of the undersigned's knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: February 12, 2016

1109519 Ontario Limited

By:

Name:  
Title:

/s/ V. Prem Watsa  
V. Prem Watsa  
President

Raymond R. Siconolfi

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(1) No SARs are held by the named individuals.

**Option Exercises During the  
Fiscal Year Ended February 27, 2010**

There were no options exercised during fiscal 2009 by any of the executive officers named in the Summary Compensation Table. None of those officers own any shares of restricted stock, restricted stock units or similar instruments that vested during fiscal 2009.

*Retirement Benefits*

Each of the Company's executive officers who were employed prior to December 31, 2006 is entitled to participate in the Syms Corp Defined Benefit Plan on the same basis as all other eligible executives. This plan was frozen and no additional benefits will accrue, effective December 31, 2006.

Each of the Company's executive officers is entitled to participate in the Company's defined contribution 401K Plan on the same basis as all other eligible employees. In addition, the Company also has a Profit Sharing Plan to which the Company makes a discretionary contribution based on its performance. All non-union employees can participate in this plan once they become eligible. Amounts contributed to the accounts of the executive officers named in the Summary Compensation Table are set forth in that Table.

**PENSION PLAN**

The following table sets forth the estimated annual benefits payable on retirement to persons in specified remuneration and years of participation classifications under the Company's defined benefit pension plan (the Pension Plan) for employees not covered under collective bargaining agreements:

<b>Highest Five Year Average Compensation</b>	<b>15 Years of Participation</b>	<b>20 Years of Participation</b>	<b>25 Years of Participation</b>	<b>30 Years of Participation</b>	<b>35 Years of Participation</b>
\$ 50,000	\$ 5,700	\$ 7,600	\$ 9,500	\$ 9,500	\$ 9,500
75,000	8,550	11,400	14,250	14,250	14,250
100,000	11,400	15,200	19,000	19,000	19,000
125,000	14,250	19,000	23,750	23,750	23,750
150,000	17,100	22,800	28,500	28,500	28,500
175,000	19,950	26,600	33,250	33,250	33,250
200,000	22,800	30,400	38,000	38,000	38,000

A Pension Plan's participant's interest vests over a seven year period commencing in the third year at the rate of 20% after completing three years of employment and 20% for each year thereafter, and is 100% vested after the completion of seven years of service. Benefit payments are made in the form of one of five annuity payment options elected by the participant. Amounts in the table are based on a straight life annuity. For the executive officers named in the Summary Compensation Table, compensation for purposes of the Pension Plan generally corresponds to the amounts shown in the Salary column of the Summary Compensation Table.

Currently no more than \$200,000 (as adjusted from time to time by the Internal Revenue Service) of cash compensation may be taken into account in calculating benefits payable under the Pension Plan. Executive officers in the Summary Compensation Table were credited with the following years of service at December 31, 2009: Marcy Syms, 31 or more years; Myra Butensky 18 or more years; Mary A. Mann, 7 or more years; and Raymond R. Siconolfi, 8 or more years. Neither Philip A. Piscopo nor Gary Roberts were eligible as the Pension Plan was frozen as of December 31, 2006. Benefits under the Pension Plan are not subject to any deduction for social security or other offset amount. The annual retirement benefit is reduced pro rata if the employee has completed less than 25 years of service. A participant is entitled to be paid his or her benefits upon retirement at age 65. If a participant has completed at least 15 years of service, he or she may retire upon reaching age 55 but the benefits he or she receives will be actuarially reduced to reflect the longer period during which he or she will receive a benefit. A participant who leaves the Company for any reason other than death, disability or retirement will be entitled to receive the vested portion of the benefit payable over different periods of time depending on the aggregate amount vested and payment option elected.

The following table sets forth, for each of the executive officers named in the Summary Compensation Table, information regarding the benefits payable under the Pension Plan, which represents the only plan of the Company that provides for payments or other benefits at, following, or in connection with an officer's retirement. In accordance with the SEC's rules, the following table does not provide information regarding tax-qualified defined contribution plans or nonqualified defined contribution plans.

**2009 Pension Benefit**

<b>Name</b>	<b>Plan Name</b>	<b>No. of years credit service</b>	<b>Present Value of Accrued Benefits (\$)</b>	<b>Change in Pension Value 2009 vs 2008 (\$)</b>
Marcy Syms	(1)	31	183,672	12,541
Philip A. Piscopo	(1)	n/a		
Gary Roberts	(1)	n/a		
Myra Butensky	(1)	18	56,591	3,661
Mary A. Mann	(1)	7	18,083	1,232
Raymond R. Siconolfi	(1)	8	15,150	1,012

(1) Syms Corp Defined Benefit Plan

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

Sy Syms, Marcy Syms and Bernard H. Tenenbaum served as members of the Compensation Committee during parts of fiscal 2009. Bernard Tenenbaum, Henry Chidgey and Thomas Zanicchia served as members of the Stock Option Committee throughout fiscal 2009. Sy

Syms was the Chairman of the Board of Directors of the Company until his death and was succeeded in that role by Marcy Syms. Marcy Syms is the Company's Chief Executive Officer and President. No member of the Compensation Committee or Stock Option Committee had any relationship requiring disclosure by the Company under Item 404 of Regulation S-K since the beginning of fiscal 2009.

**REPORT OF THE COMPENSATION AND STOCK OPTION COMMITTEES**

The Compensation Committee, through its executive compensation policy, strives to provide compensation rewards based upon both corporate and individual performance while maintaining a relatively simple compensation program in order to avoid the administrative costs which the Compensation Committee believes are inherent in multiple complex compensation plans and agreements. The Stock Option Committee, which is comprised solely of independent directors, administers the issuances of equity-based compensation arrangements under the Company's stock incentive compensation plans.

The determination of compensation ranges for executive officers reflects a review of salaries and bonuses for executive officers holding similar positions in retailers of relatively comparable size and orientation. However, in making compensation decisions, the Compensation Committee remains cognizant of the Board of Directors' responsibility to enhance shareholder value. The Compensation Committee utilizes cash bonuses, when it feels a bonus is merited, based on factors such as an executive's individual performance and the Company's performance relative to its past performance and the performance of competitors. The Company has available a long-term incentive for executives to both remain in the employ of the Company and to strive to maximize shareholder value through the Company's option plans, which align the interests of executives with those of shareholders.

Determination of Marcy Syms' compensation as the Company's Chief Executive Officer for fiscal 2009 reflects the Company's performance and a comparison with chief executive officer compensation of the Company's competitors, and also reflects recognition of Ms. Syms' unique, ongoing contribution to the growth, success and viability of the Company.

It is the responsibility of the Compensation Committee to address the issues raised by the tax laws which make certain non-performance-based compensation to executives of public companies in excess of \$1,000,000 non-deductible to the Company. In this regard, the Compensation Committee must determine whether any actions with respect to this limit should be taken by the Company. At this time, it is not anticipated that any executive officer will receive any compensation in excess of this limit. Therefore, the Compensation Committee has not taken any action to comply with the limit.

The Compensation Committee and the Stock Option Committee have reviewed the Compensation Discussion and Analysis and discussed that analysis with management. Based on their review and discussions with management, the committees recommended to our Board of Directors that the Compensation Discussion and Analysis be included in the Company's fiscal 2009 proxy statement.

**COMPENSATION AND STOCK OPTION COMMITTEES**

Marcy Syms  
Bernard H. Tenenbaum  
Henry M. Chidgey  
Thomas E. Zaneccchia

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act), requires the Company's officers and directors, and persons who own more than 10% of a registered class of the Company's equity securities, to file initial statements of beneficial ownership (Form 3), and statements of changes in beneficial ownership (Forms 4 and 5), of Common Stock of the Company with the Securities and Exchange Commission. Executive officers, directors and greater than 10% shareholders are required to furnish the Company with copies of all such forms they file.

To the Company's knowledge, based solely on its review of the copies of such forms received by it, all filing requirements applicable to its executive officers, directors, and greater than 10% shareholders were met during fiscal 2009.

**AUDIT COMMITTEE REPORT**

In connection with the preparation and filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2009:

- (1) the Audit Committee reviewed and discussed the audited financial statements with the Company's management;
- (2) the Audit Committee discussed with the Company's independent auditors the matters required to be discussed by Statement of Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1, AU section 380), as adopted by the Public Company Accounting Oversight Board, or PCAOB, in Rule 3200T;
- (3) the Audit Committee received the written disclosures and the letter from the Company's independent accountant required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountants' communications with the Audit Committee concerning independence, and discussed with the Company's independent accountants the independent accountants' independence; and
- (4) based on the review and discussions referred to above, the Audit Committee recommended to the Board that the audited financial statements be included in the 2009 Annual Report on Form 10-K.

**AUDIT COMMITTEE**

Bernard H. Tenenbaum, *Chairman*

Henry M. Chidgey

Thomas E. Zanicchia

**PROPOSAL 2**

**LIMITATION OF CERTAIN LIABILITIES DIRECTORS AND OFFICERS**

In response to a proliferation of lawsuits challenging actions taken by the management of various corporations and a resultant tightening in the market for directors' and officers' liability insurance, the New Jersey legislature amended the New Jersey Business Corporation Act (the Business Corporation Act) in 1988 to permit New Jersey corporations to include in their certificates of incorporation provisions which would limit the liability of directors and officers in certain instances. Specifically, with respect to the personal liability of directors and officers, the Business Corporation Act was amended to provide as follows:

The certificate of incorporation [of a New Jersey corporation] may provide that a director or officer shall not be personally liable, or shall be liable only to the extent therein provided, to the corporation or its shareholders, for damages for breach of any duty owed to the corporation or its shareholders, except that such provision shall not relieve a director or officer from liability for any breach of duty based upon an act or omission (a) in breach of such person's duty of loyalty to the corporation or its shareholders, (b) not in good faith or involving a knowing violation of law or (c) resulting in receipt by such person of an improper personal benefit.

Many New Jersey corporations acted promptly to amend their certificates of incorporation to provide for the limitations permitted by the New Jersey statute. In other states, including but certainly not limited to, Delaware, similar statutes were adopted and several corporations in those jurisdictions also acted promptly to add so-called exculpation provisions to their certificates of incorporation.

For more than two decades, however, the Company did not take advantage of this provision in the Business Corporation Act. After analysis of the benefits available under the Business Corporation Act, the Board of Directors has now determined that the Company should amend its certificate of incorporation to permit the limitations of liability permitted by the Business Corporation Act. This determination was based on the following considerations:

Protection against ill-advised litigation and the maintenance of suitable directors and officers liability insurance are required by many persons as a condition to their serving as members of management of public corporations. The Company will be in a better position to recruit and retain officers and directors if their liability is limited under the Business Corporation Act.

Adoption of an exculpation provision is expected to assist the Company in negotiating its premiums for its directors and officers liability insurance. It may also reduce the need for insurance companies to seek reductions in the scope of the Company's insurance package.

The Company's obligations to indemnify its directors and officers can result in significant exposure to the Company. The adoption of an exculpation provision may operate to limit this exposure.

The absence of exculpation may cause those who do serve to act more defensively and conservatively than would otherwise be in the best interests of corporations and their shareholders.

The Company's Board of Directors has determined that it would be in the best interest of Syms Corp to offer directors and officers the protection currently allowed by New Jersey law. Accordingly, the Board of Directors has approved, and recommends that the shareholders adopt, an amendment (the Amendment) to the Company's Certificate of Incorporation providing as follows:

**TWELFTH:** The personal liability of the Officers and Directors of the Corporation is hereby eliminated to the fullest extent permitted by subsection 14A:2-7(3) of the New Jersey Business Corporation Act, as the same may be amended or supplemented. No amendment to or repeal of this Article TWELFTH shall apply to or have any effect on the liability or alleged liability of any Officer or Director for or with respect to any acts or omissions of such Officer or Director occurring prior to such amendment or repeal. If the laws of the State of New Jersey are hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors or officers, then the liability of an Officer or Director of the Corporation shall be eliminated or limited to the fullest extent then permitted. No repeal or modification of this Article TWELFTH shall adversely affect any right of or protection afforded to an Officer or Director of the Corporation existing immediately prior to such repeal or modification.

The primary focus of the Amendment is upon the elimination of liability for violation of the duty of care. The duty of care refers to the fiduciary duty of directors and officers to manage the affairs of the corporation with the same degree of care as would be applied to an ordinarily prudent person under similar circumstances. While this standard theoretically seeks to be objective, in practice this standard has led to subjective, after-the-fact, analysis. Accordingly, to protect management against this type of analysis, the Amendment eliminates the personal liability of directors and officers to the Company and its shareholders for monetary damages for acts or omissions (including negligent and grossly negligent acts or omissions) in violation of the duty of care.

The Amendment does not in any way eliminate or limit the liability of a director or officer for breaching his or her duty of loyalty (*i.e.*, the duty to refrain from fraud, self-dealing and transactions involving improper conflicts of interest) to Syms Corp or its shareholders, failing to act in good faith, knowingly violating a law or obtaining an improper personal benefit. The Amendment would not eliminate or limit the liability of directors and officers arising in connection with causes of action brought under the federal securities laws, nor would the Amendment have any effect on the availability of equitable remedies, such as an injunction or rescission, for breach of fiduciary duty. However, as a practical matter, equitable remedies may not be available in particular circumstances.

The effects of the Amendments remain uncertain to some extent. Courts could rule that certain liabilities that the Amendment purports to eliminate remain, notwithstanding the incorporation of the Amendment into the Company's Certificate of Incorporation. If the courts or the New Jersey Legislature narrow or expand the coverage of the relevant provisions of the New Jersey Business Corporation Act, the potential liability of directors

and officers for their actions and the rights of shareholders to institute litigation for breaches of fiduciary duties likewise will be affected without further shareholder action.

Management of Syms Corp believes that adoption of the Amendment will help the Company attract and retain qualified individuals to serve as directors and officers and will make directors and officers liability insurance more readily available at a lower cost to the Company and its shareholders. The Amendment may have the effect, however, of discouraging or deterring shareholders or management from bringing a lawsuit against directors and officers, even though such an action, if successful, might otherwise have benefited the Company and its shareholders. In addition, if the Amendment is adopted, directors and officers of Syms Corp. will not be liable for monetary damages to Syms Corp. or its shareholders for making grossly negligent business decisions, including decisions which may be made in connection with attempts by third parties to acquire control of Center Bancorp. The Amendment provides that no amendment or repeal of the Amendment and no amendment, repeal or termination of effectiveness of any law authorizing the Amendment would apply to or have any effect on the liability of a director or officer for any acts or omissions occurring prior to such amendment, repeal or termination of effectiveness.

The Board of Directors believes that the potential benefits to Syms Corp. and its shareholders of the Amendment outweigh the limitations the Amendment places on shareholder remedies. It is the opinion of the Board of Directors that the legal risks and potential personal liabilities associated with lawsuits which may be filed against the Company's directors and officers, coupled with the resulting substantial time, expense, abuse and anxiety which might be spent and endured in defending against such lawsuits, bears no reasonable or logical relationship to the amount of compensation received by such persons. Consequently, these risks pose a significant deterrent on the part of experienced and capable individuals to serve as directors and officers of the Company. The Amendment is not, however, being proposed in response to any litigation, threatened litigation, resignation, threat of resignation or refusal to serve by any existing or potential director or officer.

If approved by the shareholders, the Amendment would become effective upon the filing with the New Jersey Secretary of State of a Certificate of Amendment to the Company's Certificate of Incorporation, which filing would be made shortly after the Annual Meeting. The affirmative vote of a majority of the votes cast at the meeting is necessary for the approval of the Amendment.

**THE BOARD OF DIRECTORS RECOMMENDS  
A VOTE FOR THE ADOPTION OF  
THE AMENDMENT.**

**PROPOSAL 3**

**RATIFICATION OF APPOINTMENT OF THE INDEPENDENT REGISTERED  
PUBLIC ACCOUNTING FIRM**

The Board of Directors has selected BDO Seidman, LLP ( BDO ) as the independent registered public accounting firm for the Company for the fiscal year ending February 26, 2011 and recommends that shareholders approve such appointment. The affirmative vote of a majority of the votes cast at the meeting is necessary for the approval of auditors.

BDO has audited the financial statements of the Company for more than the past five years. A representative of BDO is expected to be present at the meeting and will have an opportunity to make a statement if he or she desires to do so and will be available to respond to appropriate questions from shareholders.

The following is a summary of the fees for professional services rendered by BDO which were billed to us for the past two fiscal years:

Fee category	Fiscal year ended	
	February 27, 2010	February 28, 2009
Audit fees	\$ 629,000	\$ 383,000
Audit-related fees	205,000	46,000
Total fees	\$ 834,000	\$ 429,000

*Audit Fees:* Audit fees represent fees for professional services performed by BDO for the audit of our annual financial statements, audit of internal controls and the review of our quarterly financial statements, as well as services that are normally provided in connection with statutory and regulatory filings or engagements. The increase in audit fees for the year ended February 27, 2010 reflects audit work performed for Filene's Basement.

*Audit Related Fees:* Audit-related fees represent fees for assurance and related services performed by BDO that are reasonably related to the performance of the audit or review of our financial statements. These fees were for employee benefit related services in each of the past two fiscal years. The fees for the fiscal year ended February 27, 2010 also include services related to the acquisition of Filene's Basement.

*Pre-approval Policies and Procedures:* The Audit Committee Charter adopted by the Board of Directors of the Company requires that, among other things, the Audit Committee must pre-approve all audit and permissible non-audit services rendered by the independent registered accounting firm. These services may include audit services, audit-related services, tax services and other services, including services relating to compliance with Section 404 of the Sarbanes-Oxley Act of 2002. The independent registered public accounting firm and management are required to periodically report to the Audit Committee regarding the extent of services provided by the independent registered public accounting firm in accordance with this pre-approval, and the fees for the services performed to date. The Audit Committee may also pre-approve particular services on a case-by-case basis. All services provided during the past two fiscal years were pre-approved by the Audit Committee.

The Company and the Audit Committee have considered whether other non-audit services by BDO are compatible with maintaining the independence of BDO in its audit of the Company.

For purposes of determining whether to select BDO as the independent registered public accounting firm to perform the audit of our financial statements and our internal control over financial reporting for fiscal 2010, the Audit Committee conducted a thorough review of BDO's performance. The committee considered:

- § BDO's historical and recent performance on the Company's audit, including the quality of the engagement team and the firm's experience, client service, responsiveness and technical expertise;
- § The firm's leadership, management structure, client and employee retention and compliance and ethics programs;
- § The record of the firm against comparable accounting firms in various matters, such as regulatory, litigation and accounting matters;
- § The appropriateness of the fees charged; and
- § The firm's familiarity with the Company's accounting policies and practices and internal control over financial reporting.

In the course of assisting the audit committee in its review, Company representatives interviewed management of BDO with respect to certain of the matters listed above. BDO was our independent auditor for the year ended February 27, 2010. The firm is a registered public accounting firm.

Although ratification is not required by our Bylaws or otherwise, the Board considers the selection of the independent registered accounting firm to be an important matter of shareholder concern and is submitting the selection of BDO Seidman, LLP to our shareholders for ratification as a matter of good corporate practice.



The Board of Directors recommends that the shareholders vote FOR ratification of the appointment of BDO Seidman, LLP.

#### OTHER MATTERS

The Board of Directors does not know of any matters to be brought before the Annual Meeting, except those set forth in the notice thereof. If other business is properly presented for consideration at the Annual Meeting, the persons named in the accompanying form of proxy intend to vote the proxies therein in accordance with their best judgment on such matters.

#### SHAREHOLDER NOMINATIONS AND PROPOSALS

*Nominations to Board of Directors:* Any shareholder who wants to nominate a candidate for election to the Board of Directors must deliver timely notice to our Assistant Secretary at our principal executive offices, located at One Syms Way, Secaucus, New Jersey 07094. In order to be timely, the notice must be delivered

§ in the case of an annual meeting, not less than 120 days prior to the anniversary date of the immediately preceding annual meeting of shareholders, although if we did not hold an annual meeting during the immediately preceding calendar year or the annual meeting is called for a date that is not within 30 days of the anniversary date of the prior year's annual meeting, the notice must be received a reasonable time before we begin to print and mail our proxy materials; and

§ in the case of a special meeting of shareholders called for the purpose of electing directors, the notice must be received a reasonable time before we begin to print and mail our proxy materials.

Accordingly, any person who desires to nominate a candidate for director at our fiscal 2010 annual meeting must provide the information required not later than March 1, 2011. The shareholder's notice to the Secretary must set forth:

§ As to each person whom the shareholder proposes to nominate for election as a director (a) his or her name, age, business address and residence address, (b) his or her principal occupation and employment, (c) the number of shares of our common stock that are owned beneficially or of record by him or her and (d) any other information relating to the nominee that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934 and the rules and regulations of the SEC thereunder; and

§ As to the shareholder giving the notice: (a) the proponent's name, age and record address, (b) the number of shares of the Company's common stock which are owned beneficially or of record by the proponent, (c) a description of all arrangements or understandings between the shareholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by the shareholder, (d) a representation by the proponent that the proponent is a holder of record of our common stock entitled to vote at such meeting and that the proponent intends to appear in person or by proxy at the meeting to nominate the person or persons named in the proponent's notice and (e) any other information relating to the shareholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934 and the rules and regulations of the SEC thereunder.

The notice delivered by the shareholder must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected. The shareholder must be a shareholder of record on the date on which the shareholder gives the notice described above and on the record date for the determination of shareholders entitled to vote at the meeting.

*Other proposals:* In order to bring other business before an annual meeting, a shareholder must give timely notice of such proposal in writing to the Corporate Secretary at the Corporation's principal executive offices located at One Syms Way, Secaucus, New Jersey 07094 and such business must otherwise be a proper matter for shareholder action. To be timely, a shareholder's notice must be delivered to such address not less than 120 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that an

annual meeting was not conducted during the immediately preceding calendar year or in the event that the Board of Directors sets as a date for the annual meeting a date which is not within 30 days before or after such anniversary date, notice by the shareholder (in order to be timely) must be so delivered within a reasonable time prior to the date on which the Corporation begins to print its proxy solicitation materials. Such shareholder's notice must set forth a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business that such shareholder may have and the beneficial owner, if any, on whose behalf the proposal is made. Accordingly, any person who desires to make any other proposal at our fiscal 2010 annual meeting must provide the information required not later than March 1, 2011.

In accordance with SEC rules, the proxy holders named in the form of proxy provided by the Board of Directors will be entitled to use their discretionary voting authority with respect to any shareholder proposal raised at the 2011 annual meeting which is not presented to the Company on or before March 1, 2011 in accordance with the standards set forth above.

If a shareholder intends to present a proposal at our 2011 annual meeting of shareholders and desires to have that proposal included in the proxy statement and form of proxy relating to that meeting, the proposal must be received by the Company at our principal executive offices not later than \_\_\_\_\_ [to be inserted: 120 days before this year's mailing], 2011 and must comply with the proxy solicitation rules of the SEC.

#### **ANNUAL REPORT TO SHAREHOLDERS**

The Company's Annual Report on Form 10-K for the fiscal year ended February 27, 2010 (fiscal 2009), including financial statements, is being mailed to shareholders of the Company with this Proxy Statement. The Annual Report does not constitute a part of the Proxy Solicitation materials. Shareholders may, without charge, obtain copies, excluding certain exhibits, of the Company's Annual Report on Form 10-K filed with the SEC. Requests for this Report should be addressed to Investor Relations, Syms Corp, One Syms Way, Secaucus, New Jersey 07094. Your cooperation in giving this matter your immediate attention and returning your proxies will be appreciated.

By Order of the Board of Directors

**Raymond R. Siconolfi**  
Controller, Chief Accounting Officer,  
Acting Chief Financial Officer  
and Acting Secretary  
May \_\_, 2010

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