

WATSA V PREM ET AL  
 Form 4  
 August 17, 2010

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
**FAIRFAX FINANCIAL HOLDINGS LTD/ CAN**

2. Issuer Name and Ticker or Trading Symbol  
**Kennedy-Wilson Holdings, Inc. [KW]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
**95 WELLINGTON STREET WEST, SUITE 800**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**08/13/2010**

\_\_\_\_ Director  
 \_\_\_\_ Officer (give title below)  
 10% Owner  
 \_\_\_\_ Other (specify below)

**TORONTO, A6 M5J 2N7**

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Series B Preferred Stock (Preferred Shares)	<u>(1)</u>	08/13/2010	P		32,550		<u>(2)</u>	<u>(3)</u>	Common Stock, \$0.0001 par value (Common Shares)	3,042,057

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FAIRFAX FINANCIAL HOLDINGS LTD/ CAN 95 WELLINGTON STREET WEST SUITE 800 TORONTO, A6 M5J 2N7		X		
WATSA V PREM ET AL 95 WELLINGTON STREET WEST SUITE 800 TORONTO, A6 M5J 2N7		X		
1109519 ONTARIO LTD 95 WELLINGTON STREET WEST SUITE 800 TORONTO, A6 M5J 2N7		X		
SIXTY TWO INVESTMENT CO LTD 1600 CATHEDRAL PLACE 925 WEST GEORGIA ST. VANCOUVER, A1 V6C 3L3		X		
810679 ONTARIO LTD 95 WELLINGTON STREET WEST SUITE 800 TORONTO, A6 M5J 2N7		X		
ODYSSEY AMERICA REINSURANCE CORP 300 FIRST STAMFORD PLACE STAMFORD, CT 06902		X		
Zenith Insurance Co 21255 CALIFA STREET WOODLAND HILLS, CA 91367-5021		X		

## Signatures

/s/ Paul Rivett, Vice President and Chief Legal Officer	08/16/2010
__Signature of Reporting Person	Date
/s/ V. Prem Watsa	08/16/2010
__Signature of Reporting Person	Date
/s/ V. Prem Watsa, President	08/16/2010
__Signature of Reporting Person	Date
/s/ V. Prem Watsa, President	08/16/2010
__Signature of Reporting Person	Date
/s/ V. Prem Watsa, President	08/16/2010
__Signature of Reporting Person	Date
/s/ Deborah M. Slyne, Vice President	08/16/2010
__Signature of Reporting Person	Date
/s/ Michael E. Jansen, Executive Vice President and General Counsel	08/16/2010
__Signature of Reporting Person	Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Each Preferred Share is convertible into approximately 93.4580 Common Shares, subject to adjustment under certain circumstances.
  - (2) The Preferred Shares are convertible into Common Shares (1) at the option of the holder thereof at any time prior to November 3, 2018, and (2) at the option of the issuer at any time on or after May 3, 2017 and prior to November 3, 2018.
  - (3) The Preferred Shares will be automatically converted into Common Shares on November 3, 2018.
- The Preferred Shares are held by subsidiaries of Fairfax Financial Holdings Limited, including, following the transactions reported
- (4) herein, 22,550 Preferred Shares held by Odyssey America Reinsurance Corporation and its subsidiaries, and 10,000 Preferred Shares held by Zenith Insurance Company.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.