

KINGSWAY FINANCIAL SERVICES INC  
Form SC 13D/A  
December 14, 2018

**SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**SCHEDULE 13D**

**(Rule 13d-101)**

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13d-1(a) AND  
AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)**

**Under the Securities Exchange Act of 1934**

**(Amendment No. 3)\***

**Kingsway Financial Services Inc.**  
(Name of Issuer)

**Common Stock, no par value**  
(Title of Class of Securities)

**496904202**  
(CUSIP Number)

**D. Kyle Cerminara**

**Fundamental Global Investors, LLC**

**4201 Congress Street, Suite 140**

**Charlotte, North Carolina 28209**

**(704) 323-6851**

**With a copy to:**

**Derek D. Bork**

**Thompson Hine LLP**

**3900 Key Center**

**127 Public Square**

**Cleveland, Ohio 44114**

**(216) 566-5500**

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

**December 14, 2018**

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box “.”

*Note:* Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. *See* §240.13d-7 for other parties to whom copies are to be sent.

\* 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 disclosures provided in a prior cover page.

The information required on 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. **496904202 13D** Page 2 of 10 Pages

NAME OF REPORTING PERSON

**1**

**Fundamental Global Investors, LLC**

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2**

(a) ..  
(b) ..

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

**None**

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

**5**

..

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

**North Carolina**

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		SOLE VOTING POWER
	<b>7</b>	
	<b>0</b>	SHARED VOTING POWER
	<b>8</b>	
	<b>99,202</b>	SOLE DISPOSITIVE POWER
	<b>9</b>	
	<b>0</b>	SHARED DISPOSITIVE POWER
	<b>10</b>	

**99,202**

AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY  
REPORTING  
**11** PERSON

**99,202**  
CHECK IF  
THE  
AGGREGATE  
AMOUNT  
IN ROW  
**12(11)** ..  
EXCLUDES  
CERTAIN  
SHARES

PERCENT  
OF CLASS  
REPRESENTED  
BY  
AMOUNT  
**13** IN ROW  
(11)

**0.4%**  
TYPE OF  
REPORTING  
PERSON  
**14**

**00**

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NAME OF REPORTING PERSON

**1**

**Fundamental Global Partners, LP**

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2**

(a) ..  
(b) ..

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

**None**

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

**5**

..

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

**Delaware**

NUMBER OF  
SHARES BENEFICIALLY  
OWNED BY  
EACH

**7**

SOLE VOTING POWER

REPORTING  
PERSON WITH

**0**

SHARED VOTING POWER

**8**

**0**

SOLE DISPOSITIVE POWER

**9**

**0**

**10** SHARED DISPOSITIVE POWER

0

11 AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY  
REPORTING  
PERSON

0  
CHECK IF  
THE  
AGGREGATE  
AMOUNT  
IN ROW  
12(11) ..  
EXCLUDES  
CERTAIN  
SHARES

PERCENT  
OF CLASS  
REPRESENTED  
BY  
AMOUNT  
13 IN ROW  
(11)

0%  
TYPE OF  
REPORTING  
PERSON  
14

PN

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NAME OF REPORTING PERSON

**1**

**Fundamental Global Partners Master Fund, LP**

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2**

(a) ..  
(b) ..

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

**None**

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

**Cayman Islands**

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		SOLE VOTING POWER
	<b>7</b>	
	<b>0</b>	SHARED VOTING POWER

**8**

**86,968**  
SOLE DISPOSITIVE POWER

**9**

**0**  
**10** SHARED DISPOSITIVE POWER



**86,968**

AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY  
REPORTING  
**11** PERSON

**86,968**  
CHECK IF  
THE  
AGGREGATE  
AMOUNT  
IN ROW  
**12**(11) ..  
EXCLUDES  
CERTAIN  
SHARES

PERCENT  
OF CLASS  
REPRESENTED  
BY  
AMOUNT  
**13**IN ROW  
(11)

**0.4%**  
TYPE OF  
REPORTING  
PERSON  
**14**

**PN**

CUSIP No. **496904202 13D** Page 5 of 10 Pages

NAME OF REPORTING PERSON

**1**

**FGI Global Asset Allocation Fund, Ltd.**

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2**

(a) ..  
(b) ..

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

**None**

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

**5**

..

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

**Cayman Islands**

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		SOLE VOTING POWER
	<b>7</b>	
	<b>0</b>	SHARED VOTING POWER
	<b>8</b>	
	<b>0</b>	SOLE DISPOSITIVE POWER
	<b>9</b>	
	<b>0</b>	SHARED DISPOSITIVE POWER
	<b>10</b>	

**0**

AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON

**11**

**0**

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES ..

**12**

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

**13**

**0%**

TYPE OF REPORTING PERSON

**14**

**OO**

CUSIP No. **496904202 13D** Page 6 of 10 Pages

NAME OF REPORTING PERSON

**1**

**FGI Global Asset Allocation Master Fund, LP**

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2**

(a) ..  
(b) ..

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

**None**

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

**Cayman Islands**

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	<b>7</b>	SOLE VOTING POWER
	<b>0</b>	SHARED VOTING POWER
	<b>8</b>	
	<b>0</b>	SOLE DISPOSITIVE POWER
	<b>9</b>	
	<b>0</b>	SHARED DISPOSITIVE POWER
	<b>10</b>	

0

11 AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY  
REPORTING  
PERSON

0  
CHECK IF  
THE  
AGGREGATE  
AMOUNT  
IN ROW  
12(11) ..  
EXCLUDES  
CERTAIN  
SHARES

PERCENT  
OF CLASS  
REPRESENTED  
BY  
AMOUNT  
13 IN ROW  
(11)

0%  
TYPE OF  
REPORTING  
PERSON  
14

PN

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NAME OF REPORTING PERSON

**1**

**Fundamental Activist Fund I, LP**

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2**

(a) ..  
(b) ..

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

**None**

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

**5**

..

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

**Delaware**

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		SOLE VOTING POWER
	<b>7</b>	
	<b>0</b>	SHARED VOTING POWER

**8**

**12,234**  
SOLE DISPOSITIVE POWER

**9**

**0**  
**10** SHARED DISPOSITIVE POWER

**12,234**

AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY  
REPORTING  
**11** PERSON

**12,234**  
CHECK IF  
THE  
AGGREGATE  
AMOUNT  
IN ROW  
**12(11)** ..  
EXCLUDES  
CERTAIN  
SHARES

PERCENT  
OF CLASS  
REPRESENTED  
BY  
AMOUNT  
**13** IN ROW  
(11)

**0.1%**  
TYPE OF  
REPORTING  
PERSON  
**14**

**PN**

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This Amendment No. 3 to Statement of Beneficial Ownership on Schedule 13D (this “Amendment No. 3”) amends the Statement of Beneficial Ownership on Schedule 13D filed by the Reporting Persons on December 10, 2014, as amended to date (the “Schedule 13D,” and as further amended by this Amendment No. 3, this “Statement”), with respect to the Common Stock, no par value (the “Common Stock”), of Kingsway Financial Services Inc., an Ontario, Canada corporation (the “Company”). Capitalized terms used but not defined in this Amendment No. 3 shall have the meanings set forth in the Schedule 13D. Except as amended and supplemented by this Amendment No. 3, the Schedule 13D remains unchanged.

This Amendment No. 3 represents the final amendment to the Schedule 13D and constitutes an exit filing for the Reporting Persons as the Reporting Persons beneficially own less than five percent of the shares of Common Stock.

**Item 5. Interest in Securities of the Issuer.**

(a) The Reporting Persons beneficially own in the aggregate 99,202 shares of Common Stock, which represents less than one percent of the Company’s outstanding shares of Common Stock.

Each of Fundamental Activist Fund I, LP and Fundamental Global Partners Master Fund, LP directly holds the number and percentage of shares of Common Stock disclosed as beneficially owned by it in the applicable table set forth on the cover page to this Statement. None of the other Reporting Persons directly holds any of the shares of Common Stock disclosed in this Statement.

Each percentage ownership of shares of Common Stock set forth in this Statement is based on the 22,380,178 shares of Common Stock reported as outstanding as of November 14, 2018 in the Company’s Registration Statement on Form S-4/A filed with the Securities and Exchange Commission on November 15, 2018.

(c) The transactions effected by the Reporting Persons in the Common Stock during the past 60 days are set forth on Schedule A to this Statement. Each of these transactions was effected through the open market.

(e) The Reporting Persons beneficially own less than five percent of the shares of Common Stock.



**Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.**

Pursuant to Rule 13d-1(k) promulgated under the Securities Exchange Act of 1934, as amended, the Reporting Persons have entered into an agreement with respect to the joint filing of this Amendment No. 3, which agreement is set forth on the signature page to this Statement.

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**SIGNATURE**

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this Statement is true, complete and correct.

In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended, the persons named below agree to the joint filing on behalf of each of them of this Statement on Schedule 13D with respect to the Common Stock of the Company.

Dated: December 14, 2018

FUNDAMENTAL GLOBAL INVESTORS, LLC

/s/ D. Kyle Cerminara  
D. Kyle Cerminara  
Chief Executive Officer, Partner and Manager

FUNDAMENTAL GLOBAL PARTNERS, LP,  
by Fundamental Global Partners GP, LLC, its general partner

/s/ D. Kyle Cerminara  
D. Kyle Cerminara  
Partner and Manager

FUNDAMENTAL GLOBAL PARTNERS MASTER FUND, LP,  
by FG Partners GP, LLC, its general partner

/s/ D. Kyle Cerminara  
D. Kyle Cerminara  
Manager

FGI GLOBAL ASSET ALLOCATION FUND, LTD.

/s/ D. Kyle Cerminara  
D. Kyle Cerminara  
Director

FGI GLOBAL ASSET ALLOCATION MASTER FUND, LP,  
by FGI Global Asset Allocation GP, LLC, its general partner

/s/ D. Kyle Cerminara  
D. Kyle Cerminara  
Manager

FUNDAMENTAL ACTIVIST FUND I, LP,  
by Fundamental Activist Fund I GP, LLC, its general partner

/s/ D. Kyle Cerminara  
D. Kyle Cerminara  
Manager

FGI INTERNATIONAL USVI, LLC

/s/ D. Kyle Cerminara  
D. Kyle Cerminara  
Manager

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FGI FUNDS MANAGEMENT, LLC

/s/ D. Kyle Cerminara  
D. Kyle Cerminara  
Manager

D. KYLE CERMINARA

/s/ D. Kyle Cerminara  
D. Kyle Cerminara

LEWIS M. JOHNSON

/s/ Lewis M. Johnson  
Lewis M. Johnson

JOSEPH H. MOGLIA

/s/ Joseph H. Moglia  
Joseph H. Moglia

**Schedule A**

**Transactions by Fundamental Activist Fund I, LP, Fundamental Global Partners Master Fund, LP, FGI Global Asset Allocation Master Fund LP and FGI Global Asset Allocation Fund, Ltd. in the Common Stock in the past 60 days:**

**Fundamental Activist Fund I, LP:**

Transaction Date	Number of Shares Bought/(Sold)	Average Price Per Share (\$)
12/3/2018	(2,153	) \$ 2.3117
12/4/2018	(684	) \$ 2.2228

**Fundamental Global Partners Master Fund, LP:**

Transaction Date	Number of Shares Bought/(Sold)	Average Price Per Share (\$)
12/3/2018	(15,787	) \$ 2.3117
12/4/2018	(5,016	) \$ 2.2228

**FGI Global Asset Allocation Master Fund, LP:**

Transaction Date	Number of Shares Bought/(Sold)	Average Price Per Share (\$)
11/13/2018	(244	) \$ 2.6816
11/14/2018	(2,363	) \$ 2.7173
11/15/2018	(408	) \$ 2.6533

**FGI Global Asset Allocation Fund, Ltd.:**

Transaction Date	Number of Shares	Average Price
	Bought/(Sold)	Per Share (\$)
11/13/2018	(56)	) \$ 2.6816
11/14/2018	(537)	) \$ 2.7173
11/15/2018	(92)	) \$ 2.6532