

WATSA V PREM ET AL  
 Form 3  
 June 01, 2010

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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. Date of Event Requiring Statement  
 (Month/Day/Year)  
 05/21/2010

3. Issuer Name and Ticker or Trading Symbol  
 KENNEDY WILSON INC [KW]

(Last) (First) (Middle)

4. Relationship of Reporting Person(s) to Issuer

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

95 WELLINGTON STREET WEST, SUITE 800

(Check all applicable)

(Street)

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

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

TORONTO, ONTARIO M5J 2N7

(City) (State) (Zip)

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security  
 (Instr. 4)

2. Amount of Securities Beneficially Owned  
 (Instr. 4)

3. Ownership Form:  
 Direct (D)  
 or Indirect (I)  
 (Instr. 5)

4. Nature of Indirect Beneficial Ownership  
 (Instr. 5)

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

SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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

1. Title of Derivative Security  
 (Instr. 4)

2. Date Exercisable and Expiration Date  
 (Month/Day/Year)

3. Title and Amount of Securities Underlying Derivative Security  
 (Instr. 4)

4. Conversion or Exercise Price of Derivative Security

5. Ownership Form of Derivative Security: Direct (D)

6. Nature of Indirect Beneficial Ownership  
 (Instr. 5)

Date Exercisable Expiration Date Title Amount or Number of

			Shares		or Indirect (1) (Instr. 5)	
Series A Preferred Stock (the "Preferred Shares?")	Â (1)	Â (2)	Common Stock, \$0.0001 par value (?Common Shares?)	7,380,661 (3)	\$ (3)	I See Footnote (4)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FAIRFAX FINANCIAL HOLDINGS LTD/ CAN 95 WELLINGTON STREET WEST SUITE 800 TORONTO,Â A6Â M5J 2N7	Â	Â X	Â	Â
WATSA V PREM ET AL 95 WELLINGTON STREET WEST SUITE 800 TORONTO,Â A6Â M5J 2N7	Â	Â X	Â	Â
1109519 ONTARIO LTD 95 WELLINGTON STREET WEST SUITE 800 TORONTO,Â A6Â M5J 2N7	Â	Â X	Â	Â
SIXTY TWO INVESTMENT CO LTD 1600 CATHEDRAL PLACE 925 WEST GEORGIA ST. VANCOUVER,Â A1Â V6C 3L3	Â	Â X	Â	Â
810679 ONTARIO LTD 95 WELLINGTON STREET WEST SUITE 800 TORONTO,Â A6Â M5J 2N7	Â	Â X	Â	Â
UNITED STATES FIRE INSURANCE CO 305 MADISON AVENUE MORRISTOWN,Â NJÂ 07962	Â	Â X	Â	Â
NORTH RIVER INSURANCE CO 305 MADISON AVENUE MORRISTOWN,Â NJÂ 07962	Â	Â X	Â	Â
ODYSSEY AMERICA REINSURANCE CORP 300 FIRST STAMFORD PLACE STAMFORD,Â CTÂ 06902	Â	Â X	Â	Â

## Signatures

BY: /s/ Paul Rivett, Paul Rivett, Vice President and Chief Legal Officer	06/01/2010
__Signature of Reporting Person	Date
BY: /s/ V. Prem Watsa, V. Prem Watsa	06/01/2010
__Signature of Reporting Person	Date
BY: /s/ V. Prem Watsa, V. Prem Watsa, President	06/01/2010
__Signature of Reporting Person	Date
BY: /s/ V. Prem Watsa, V. Prem Watsa, President	06/01/2010
__Signature of Reporting Person	Date
BY: /s/ V. Prem Watsa, V. Prem Watsa, President	06/01/2010
__Signature of Reporting Person	Date
BY: /s/ Paul W. Bassaline, Paul W. Bassaline, Vice President	06/01/2010
__Signature of Reporting Person	Date
BY: /s/ Paul W. Bassaline, Paul W. Bassaline, Vice President	06/01/2010
__Signature of Reporting Person	Date
BY: /s/ Kirk Reische, Kirk Reische, Vice President	06/01/2010
__Signature of Reporting Person	Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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) The Preferred Shares are convertible into Common Shares at the option of the holder thereof at any time prior to May 21, 2015.
- (2) The Preferred Shares will be automatically converted into Common Shares on May 21, 2015.
- (3) Each Preferred Share is convertible into approximately 80.5802 Common Shares, subject to adjustment under certain circumstances.
- (4) 15,500 Preferred Shares are held by United States Fire Insurance Company, 11,000 Preferred Shares are held by The North River Insurance Company and its subsidiaries, 49,094 Preferred Shares are held by Odyssey America Reinsurance Corporation and its subsidiaries, and 16,000 Preferred Shares are held by certain other subsidiaries of Fairfax Financial Holdings Limited.

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.