

Item 4.01 Changes in Registrant's Certifying Accountant.

(a) On October 11, 2018, BDO USA, LLP ("BDO") notified Kingsway Financial Services Inc. (the "Company") that it will resign as the Company's independent registered public accounting firm effective upon filing by the Company of the quarterly report on Form 10-Q for the quarter ended September 30, 2018.

The audit reports of BDO on the consolidated financial statements of the Company as of December 31, 2016 and 2017, contained no adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During the Company's fiscal years ended December 31, 2016 and 2017, and the subsequent interim period through October 11, 2018, there were (i) no disagreements between the Company and BDO on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements, if not resolved to BDO's satisfaction, would have caused BDO to make reference to the subject matter of the disagreement in its report on the Company's consolidated financial statements for the relevant year, and (ii) no "reportable events" as that term is defined in Item 304(a)(1)(v) of Regulation S-K, except that BDO's opinion on our internal control over financial reporting for the year ended December 31, 2016 was an adverse opinion due to the existence of a material weakness. As previously disclosed, the material weakness was remediated prior to December 31, 2017.

The Company has provided BDO with a copy of this Form 8-K prior to its filing with the U.S. Securities and Exchange Commission ("SEC") and requested BDO to furnish to the Company a letter addressed to the SEC stating whether it agrees with the statements made above. A copy of BDO's letter dated October 17, 2018 is attached as Exhibit 16.1 to this Form 8-K.

The Company intends to engage RSM US LLP ("RSM"), subject to RSM's normal and customary client acceptance procedures, as its new independent registered public accounting firm to serve as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2018, effective upon filing by the Company of the quarterly report on Form 10-Q for the quarter ended September 30, 2018.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number Exhibit Description

16.1 Letter from BDO USA, LLP

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

KINGSWAY FINANCIAL
SERVICES INC.

October 17, 2018 By: /s/ William A. Hickey, Jr.
William A. Hickey, Jr.
Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

| Exhibit Number | Exhibit Description |
|----------------|--------------------------|
| <u>16.1</u> | Letter from BDO USA, LLP |