
FAIRFAX INDIA HOLDINGS CORPORATION

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual Meeting of Shareholders of Fairfax India Holdings Corporation (“Fairfax India” or the “Company”) will be held at Roy Thomson Hall, 60 Simcoe Street, Toronto, Canada on Thursday, April 14, 2016 at 2:00 p.m. (Toronto time) for the following purposes:

- (a) to elect directors;
- (b) to appoint auditors; and
- (c) to transact such other business as may properly come before the meeting.

By Order of the Board,

John Varnell
Chief Financial Officer
and Corporate Secretary

Toronto, March 11, 2016

If you cannot be present to vote in person at the meeting, please complete and sign the enclosed form of proxy and return it in the envelope provided, or vote online at <https://proxy.computershare.com>. Please refer to the accompanying Management Proxy Circular for further information regarding completion and use of the proxy and other information pertaining to the meeting.

MANAGEMENT PROXY CIRCULAR

(Note: Dollar amounts in this Management Proxy Circular are in U.S. dollars except as otherwise indicated.)

Voting Shares and Principal Holders Thereof

We have 76,678,879 subordinate voting shares and 30,000,000 multiple voting shares outstanding (these are our only voting securities). Each subordinate voting share carries one vote per share at all meetings of shareholders except for separate meetings of holders of another class of shares. Each multiple voting share carries fifty (50) votes per share at all meetings of shareholders except in certain circumstances (which have not occurred) and except for separate meetings of holders of another class of shares. The outstanding subordinate voting shares currently represent 4.86% of the total votes attached to all classes of our outstanding shares.

Each holder of our subordinate voting shares or multiple voting shares of record at the close of business on March 11, 2016 (the “record date” established for notice of the meeting and for voting in respect of the meeting) will be entitled to vote at the meeting or any adjournment or postponement thereof, either in person or by proxy. Two persons present and each entitled to vote at the meeting who, together, hold or represent by proxy at least 15% of our outstanding voting shares constitute a quorum at any meeting of shareholders.

Fairfax Financial Holdings Limited, through its subsidiaries (collectively, “Fairfax”), owns 100 subordinate voting shares and 30,000,000 multiple voting shares, representing 95.1% of the total votes attached to all classes of our shares (100% of the total votes attached to the multiple voting shares and less than 0.001% of the total votes attached to the subordinate voting shares).

Except for a sale to a purchaser who makes an equivalent unconditional offer to purchase all outstanding subordinate voting shares, Fairfax has agreed with us that it will not sell its multiple voting shares (other than to affiliates of Fairfax).

Annual Report

Our Annual Report includes our consolidated financial statements and the notes thereto for the year ended December 31, 2015. No action will be taken at the meeting with respect to approval or disapproval of the Annual Report.

You may obtain a copy of our latest annual information form (together with the documents incorporated therein by reference), our comparative consolidated financial statements for 2015 together with the report of the auditors thereon, management’s discussion and analysis of our financial condition and results of operations for 2015, any of our interim financial statements for periods subsequent to the end of our 2015 fiscal year and this circular, upon request to our Corporate Secretary. If you are one of our securityholders, there will be no charge to you for these documents. You can also find these documents on our website (www.fairfaxindia.ca) or on SEDAR (www.sedar.com).

Election of Directors

A Board of eight directors is to be elected at the meeting to serve until the next annual meeting. Each nominee is voted for on an individual basis. If you submit a proxy in the enclosed form, it will, unless you direct otherwise, be voted **FOR** the election of each of the nominees named below. However, in case any of the nominees should become unavailable for election for any presently unforeseen reason, the persons named in the proxy will have the right to use their discretion in selecting a substitute. The Board has adopted a majority voting policy for uncontested elections of directors. If any nominee for director who is not elected by at least a majority (50% + 1 vote) of the votes cast with respect to his or her election, he or she will immediately tender his or her resignation to the Chairman of the Board following the annual meeting. The Governance, Compensation and Nominating Committee will consider the resignation and recommend to the Board whether there are exceptional circumstances which would warrant rejecting such resignation. The Board will accept the resignation, absent exceptional circumstances, and will make such determination within 90 days of the applicable annual meeting. Any director who tenders his or her resignation pursuant to the policy will not participate in any meeting of the Board or any committee of the Board at which such resignation is considered. The resignation will be

effective when accepted by the Board. Following the Board's decision on any resignation, the Company will promptly disclose, via press release, the Board's decision of whether or not to accept the director's resignation offer, including the reasons for rejecting the resignation offer, if applicable.

The following information is submitted with respect to the nominees for director:

Names of nominees, offices held in Fairfax India (or significant affiliates) and principal occupations	Director since	Ownership or control over voting securities (subordinate voting shares) of Fairfax India
ANTHONY F. GRIFFITHS ^{(a)(b)(c)} Independent Business Consultant and Corporate Director	2015	50,000
ALAN D. HORN ^{(a)(b)} President and Chief Executive Officer, Rogers Telecommunications Limited	2015	15,000
CHRISTOPHER D. HODGSON ^{(a)(b)} President, Ontario Mining Association	2015	1,000
DEEPAK PAREKH Chairman of Housing Development Finance Corporation Limited	2015	—
HARSHA RAGHAVAN Managing Director and Chief Executive Officer of Fairbridge Capital Private Limited	2015	30,000
PUNITA KUMAR-SINHA Co-Founder, Managing Partner and Chief Investment Officer of Pacific Paradigm Advisors LLC	2015	—
CHANDRAN RATNASWAMI Chief Executive Officer of the Company	2015	7,000
V. PREM WATSA Chairman of the Company	2015	320,000

(a) Member of the Audit Committee (Chair — Alan Horn)

(b) Member of the Governance, Compensation and Nominating Committee (Chair — Anthony Griffiths)

(c) Lead Director

The information as to shares beneficially owned or controlled by each nominee (as previously provided), and certain of the biographical information provided below, not being within our knowledge, has been furnished by such nominee.

Legend:

BD — Board of Directors

AC — Audit Committee

G,C&NC — Governance, Compensation and Nominating Committee

Anthony F. Griffiths, 85, is a member of our Board of Directors and our Lead Director. Mr. Griffiths is an independent business consultant and corporate director. He is a director of our publicly traded parent Fairfax Financial Holdings Limited and is also the Chairman of Novadaq Technologies Inc. and a director of Corporate Catalyst Acquisition Inc. Mr. Griffiths was the Chairman of Mitel Corporation from 1987 to 1993, and from 1991 to 1993 assumed the positions of President and Chief Executive Officer in addition to that of Chairman. Mr. Griffiths is a member of our Audit Committee and the Chair of our Governance, Compensation and Nominating Committee, and is a resident of Toronto, Ontario, Canada.

Meetings Attended in 2015

5 of 5 BD

4 of 4 AC

1 of 1 G,C&NC

Christopher D. Hodgson, 54, is a member of our Board of Directors and a member of each of the Audit Committee and Governance, Compensation and Nominating Committee. Mr. Hodgson is the President of the Ontario Mining Association, President of Chris Hodgson Enterprises and a board member for Cara Operations Ltd. He previously served as Lead Director for The Brick Ltd. As a member of provincial parliament he served as Minister of Natural Resources, Minister of Northern Development and Mines, Chairman of the Management Board of Cabinet, Commissioner of the Board of Internal Economy, and Minister of Municipal Affairs and Housing. Previously he enjoyed a career in municipal government and real-estate development and is an Honours Bachelor of Arts graduate from Trent University. Mr. Hodgson is a resident of Markham, Ontario, Canada.

Meetings Attended in 2015

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1 of 1 G,C&NC

Alan D. Horn, 64, is a member of our Board of Directors, Chair of our Audit Committee and a member of the Governance, Compensation and Nominating Committee. Mr. Horn is the President and Chief Executive Officer of Rogers Telecommunications Limited and has been Chairman of Rogers Communications Inc. since March 2006. Mr. Horn served as Acting President and Chief Executive Officer of Rogers Communications Inc. from October 2008 to March 2009. Mr. Horn was Vice-President, Finance and Chief Financial Officer of Rogers Communications Inc. from 1996 to 2006 and was President and Chief Operating Officer of Rogers Telecommunications Limited from 1990 to 1996. Mr. Horn is a Chartered Accountant and the lead director and a member of the Audit Committee of CCL Industries Inc. Mr. Horn is a resident of Toronto, Ontario, Canada.

Meetings Attended in 2015

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Deepak Parekh, 71, is a member of our Board of Directors. Mr. Parekh is the Chairman of the Housing Development Finance Corporation Limited (HDFC), the largest housing finance company in India which he joined in 1978. Mr. Parekh is the non-executive Chairman of BAE Systems India (Services) Pvt Ltd, GlaxoSmithKline Pharmaceuticals Ltd. and Siemens Ltd and serves as a director of several Indian public companies, including Mahindra & Mahindra Ltd, The Indian Hotels Co Ltd and Network 18 Media & Investments Limited. Mr. Parekh also serves as a director of DP World Limited, a company listed on NASDAQ Dubai, and Vedanta Resources PLC, a company listed on the London Stock Exchange, besides serving as Chairman for several HDFC Group companies. Mr. Parekh received a Bachelor of Commerce degree from the Bombay University and holds a Chartered Accountant degree from the Institute of Chartered Accountants in England & Wales. Mr. Parekh is a resident of Mumbai, India.

Meetings attended in 2015

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Harsha Raghavan, 44, is a member of our Board of Directors. Mr. Raghavan is the Managing Director and Chief Executive Officer of Fairbridge Capital Private Limited, since its inception in 2011. Mr. Raghavan has been involved with the Indian private equity industry since 1996 and previously served as Head of India for Candover Investments, co-Head of India for Goldman Sachs PIA and Vice President of Indocean Chase Capital. Mr. Raghavan serves on the board of directors of a number of Fairfax companies, including Thomas Cook India, Thomas Cook Lanka (Private) Limited, Thomas Cook (Mauritius) Holding Company Limited, SOTC India Private Limited, Kuoni China, National Collateral Management Services Private Limited, NCML Finance Private Limited, Adi Finechem Private Limited and Sterling Holiday Resorts Private Limited. Mr. Raghavan is also a director of Nations Trust Bank, a financial institution listed on the Colombo Stock Exchange in Sri Lanka. Mr. Raghavan holds a Masters of Business Administration degree and Masters of Science degree in industrial engineering from Stanford University and a Bachelor of Arts degree from the University of California at Berkeley, where he double majored in computer science and economics.

Meetings Attended in 2015
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Chandran Ratnaswami, 66, is a member of our Board of Directors. Mr. Ratnaswami is the Chief Executive Officer of the Company and a Managing Director of Hamblin Watsa Investment Counsel Ltd. (the "Portfolio Advisor"). At the Portfolio Advisor, Mr. Ratnaswami is responsible for portfolio investments in Asia. Mr. Ratnaswami joined the Portfolio Advisor in 1993 as director of International Investments. Mr. Ratnaswami has been a non-executive director of Thomas Cook India since August 22, 2012, a non-executive director of IIFL Holdings Limited since May 15, 2012 and a non-executive director of Qess Corp. since January 18, 2016. He serves as a director of First Capital Insurance Limited, a director of Fairbridge, and has been a director of ZoomerMedia Ltd. since November 4, 2010. He serves as a non-executive director of ICICI Lombard and has been a director of Thai Reinsurance Public Company Limited since February 2012. Mr. Ratnaswami is a resident of Toronto, Ontario, Canada.

Meetings Attended in 2015
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Dr. Punita Kumar-Sinha, 53, is a member of our Board of Directors. Mrs. Kumar-Sinha is the Founder and Managing Partner of Pacific Paradigm Advisors, an independent investment advisory and management firm focused on Asia. She has over 25 years of experience in investment management and corporate governance, including serving as the Senior Managing Director, Chief Investment Officer and Senior Portfolio Manager of Blackstone Asia Advisors and the Managing Director and Senior Portfolio Manager of Oppenheimer & Co./CIBC World Markets. Dr. Kumar-Sinha has a Ph.D. and a Masters in Finance from the Wharton School, University of Pennsylvania, an MBA from Drexel University and an undergraduate degree in chemical engineering from the Indian Institute of Technology, New Delhi. She is also a member of the CFA Institute, the Boston Security Analysts Society and the Council on Foreign Relations.

Meetings Attended in 2015
0 of 0* BD

V. Prem Watsa, 65, has been the Chairman of our Board of Directors since 2015 and has been the Chairman and Chief Executive Officer of Fairfax Financial Holdings Limited since 1985. He has served as Vice President of the Portfolio Advisor since 1985. Mr. Watsa is also a director of BlackBerry Limited, and is a resident of Toronto, Ontario, Canada.

Meetings Attended in 2015
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* *There were no Board meetings held in the last quarter of 2015 subsequent to Punita Kumar-Sinha's appointment.*

None of our director nominees serve together on the Board of any other companies, other than Fairfax and its subsidiaries, or act together as trustees for other entities.

Mr. Griffiths was a director of Resolute Forest Products Inc. (formerly AbitibiBowater Inc.) when that company and certain of its Canadian and U.S. subsidiaries filed for protection in Canada under the *Companies' Creditors Arrangement Act* (Canada) ("CCAA") and for relief under Chapter 11 of the *United States Bankruptcy Code* ("USBC") in April 2009. On December 9, 2010, that company emerged from creditor protection under the CCAA in Canada and Chapter 11 of the USBC in the United States. Mr. Griffiths was a director of PreMD Inc. from 1995 to February 2010 and in connection with the voluntary delisting of that company's shares from the Toronto Stock Exchange ("**TSX**"), cease trade orders were issued in April 2009 requiring all trading in and all acquisitions of securities of that company to cease permanently due to that company's failure to file continuous disclosure materials required by Ontario securities law. The cease trade orders are still in effect. Mr. Griffiths was a director of Jaguar Mining Inc. from May 2004 to June 2013. On December 23, 2013, that company commenced proceedings under the CCAA to complete a recapitalization and financing transaction. Trading of that company's common shares was suspended on December 23, 2013 and those shares were delisted from the TSX on February 10, 2014. On February 7, 2014, the affected unsecured creditors of that company and the Ontario Superior Court of Justice approved that company's plan of compromise and arrangement pursuant to the CCAA, which was implemented effective April 22, 2014.

Appointment of Auditor

If you submit a proxy in the enclosed form, it will, unless you direct otherwise, be voted **FOR** the appointment of PricewaterhouseCoopers LLP as our auditor to hold office until the next annual meeting. PricewaterhouseCoopers LLP has been our auditor since 2015, the year that we became a public company. In order to be effective, the resolution to appoint PricewaterhouseCoopers LLP as our auditor must be passed by a majority of the votes cast in person or by proxy at the meeting.

Shareholder Proposals for Next Year's Annual Meeting

The *Canada Business Corporations Act* permits certain eligible shareholders to submit shareholder proposals to us, which proposals may be included in a management proxy circular relating to an annual meeting of shareholders. The final date by which we must receive shareholder proposals for our annual meeting of shareholders to be held in 2017 is December 12, 2016.

Nomination of Directors

We have included certain advance notice provisions in our by-laws (the "**Advance Notice Provisions**") for the nomination of directors. The Advance Notice Provisions are intended to: (i) facilitate orderly and efficient annual general or, where the need arises, special meetings; (ii) ensure that all shareholders receive adequate notice of Board nominations and sufficient information with respect to all nominees; and (iii) allow shareholders to register an informed vote. Only persons who are nominated by shareholders in accordance with the Advance Notice Provisions will be eligible for election as Directors. Nominations of persons for election to the Board may be made for any annual meeting of shareholders, or for any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of Directors: (a) by or at the direction of the Directors, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more shareholders pursuant to a requisition of the shareholders made in accordance with applicable law; or (c) by any person (a "**Nominating Shareholder**"): (A) who, at the close of business on the date of the giving of the notice provided for below and on the record date for notice of such meeting, is entered in the Company's register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth in the Advance Notice Provisions.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Directors. To be timely, a Nominating Shareholder's notice to the Directors must be made: (a) in the case of an annual meeting of Shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of Shareholders; provided, however, that in the event that the annual meeting of Shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not

later than the close of business on the tenth day following the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing Directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of shareholders, or an announcement thereof, re-start the initially required time periods for the giving of a Nominating Shareholder's notice as described above. For greater certainty, this means that a Nominating Shareholder who failed to deliver a timely Nominating Shareholder's notice in proper written form to the Directors for purposes of the originally scheduled shareholders' meeting shall not be entitled to provide a Nominating Shareholder's notice for purposes of any adjourned or postponed meeting of shareholders related thereto as the determination as to whether a Nominating Shareholder's notice is timely is to be determined based off of the original shareholders' meeting date and not any adjourned or postponed shareholders' meeting date.

To be in proper written form, a Nominating Shareholder's notice to the Directors must set forth: (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a Director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of Directors pursuant to applicable securities laws; and (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of Directors pursuant to applicable securities laws. The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an Independent Director or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

The chairperson of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, the discretion to declare that such defective nomination shall be disregarded.

Notwithstanding the foregoing, the Directors may, in their sole discretion, waive any requirement in the Advance Notice Provisions.

Other Business

Our management is not aware of any other matters which are to be presented at the meeting. However, if any matters other than those referred to herein should be presented at the meeting, the persons named in the enclosed proxy are authorized to vote the shares represented by the proxy in their discretion and in accordance with their best judgment.

Compensation of Directors

Our directors who are not officers or employees of us or any of our subsidiaries receive a retainer of \$30,000 per year. There are no additional fees for acting as Chair of the Board or of any committees, acting as a member of any committee or attendance at Board or committee meetings. In addition, non-management directors joining the Board are granted options or restricted shares (or, as a result of applicable tax rules, cash in lieu over a period of time). Additional amounts may be paid for special assignments except in respect of their service as directors of any of the Company's subsidiaries. Please see the table below, giving details of the outstanding option-based and share-based awards granted to our directors as well as cash payments in lieu. Any such awards made to directors are based on our outstanding subordinate voting shares purchased in the market and, since they involve no previously unissued stock, there is no dilution to shareholders. Non-management directors are also reimbursed for travel and other out-of-pocket expenses incurred in attending Board or committee meetings or in otherwise being engaged on our business. Mr. Watsa (our Chairman), Mr. Ratnaswami (our CEO) and Mr. Raghavan do not receive compensation for their services as directors. Details of the compensation provided to our other directors during 2015 (including compensation paid by our subsidiaries for those individuals' services as directors of those subsidiaries) are shown in the following table:

Name	Fees Earned	Share-Based Awards ⁽¹⁾	Option-Based Awards ⁽²⁾	Non-Equity Incentive Plan Compensation	All Other Compensation	Total Compensation
Anthony F. Griffiths	\$30,000	—	\$39,012	—	—	\$69,012
Christopher D. Hodgson	\$30,000	—	\$39,012	—	—	\$69,012
Alan D. Horn	\$30,000	—	\$39,012	—	—	\$69,012
Deepak Parekh	\$30,000	—	—	—	\$50,000 ⁽³⁾	\$80,000
Dr. Punita Kumar-Sinha ⁽⁴⁾	\$10,598	\$100,000	—	—	—	\$110,598

(1) The value of the share-based awards is calculated by multiplying the market value of our subordinate voting shares on the date of grant by the number of shares awarded pursuant to the share-based grant. See table below.

(2) The fair value of the options granted to each of the non-executive directors was based on options on 9,671 of our previously issued subordinate voting shares and was determined using a risk free rate of 2.64% per annum, an expected life of 15 years, volatility of 14.5% and an expected dividend yield of zero. See table below.

(3) Cash in lieu of options or restricted shares.

(4) Fees only relate to period after August 24, 2015, when Dr. Punita Kumar-Sinha was appointed to our Board of Directors.

Details of the outstanding option-based and share-based awards on our previously issued subordinate voting shares granted to our directors during 2015 are shown in the following table:

Name	Option-Based Awards				Share-Based Awards	
	Number of shares underlying unexercised options or share grants	Option exercise price	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾	Number of shares that have not vested	Market value of share-based awards that have not vested ⁽²⁾
Anthony F. Griffiths	9,671	\$10.34	March 6, 2030	—	9,671	—
Alan D. Horn	9,671	\$10.34	March 6, 2030	—	9,671	—
Christopher D. Hodgson	9,671	\$10.34	March 6, 2030	—	9,671	—
Deepak Parekh	—	—	—	—	—	—
Dr. Punita Kumar-Sinha	9,208 ⁽³⁾	N/A	August 24, 2030	N/A	9,208	\$93,000
Harsha Raghavan	48,356 ⁽³⁾	N/A	March 6, 2030	N/A	48,356	\$488,396
Chandran Ratnaswami	96,712	\$10.34	March 6, 2030	—	96,712	—
V. Prem Watsa	—	—	—	—	—	—

(1) The value of unexercised in-the-money options is calculated by subtracting the exercise price of an option to acquire one subordinate voting share from the market value of one of our subordinate voting shares at the end of 2015, and multiplying that difference by the number of unexercised options. That value does not include any deduction to recognize that some or all unexercised options may never become exercisable.

(2) The market value is calculated by multiplying the market value of our subordinate voting shares at the end of 2015 by the number of such shares awarded pursuant to unvested restricted stock grants. That value does not include any deduction to recognize that the shares so awarded may never become vested.

(3) Restricted share award.

No option-based or share-based awards granted to our directors shown in the preceding table have vested during 2015.

Directors' and Officers' Insurance

The directors and officers of the Company and its subsidiaries are covered under Fairfax's existing Directors' and Officers' liability insurance. Fairfax maintains Directors' and Officers' Liability Insurance for our directors and officers and the directors and officers of certain of our subsidiaries. This insurance forms part of a blended insurance program which provides a combined aggregate limit of liability of \$210 million, with a deductible to us of \$10 million per loss under the Directors' and Officers' Liability Insurance. The approximate annual premium paid by Fairfax for this Directors' and Officers' Liability Insurance was \$1,750,000 for 2015. Fairfax India has not paid any portion of the premium in 2015.

Under this insurance coverage from Fairfax, the Company and its subsidiaries will be reimbursed for insured claims where payments have been made under indemnity provisions on behalf of the directors and officers of the Company and its subsidiaries, subject to a deductible for each loss, which will be paid by the Company. Individual directors, and officers of the Company and its subsidiaries will also be reimbursed for insured claims arising during the performance of their duties for which they are not indemnified by the Company or its subsidiaries. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts. In the event that the Company is not controlled by Fairfax at any time in the future, the Company expects to obtain its own directors' and officers' liability insurance.

Summary Compensation Table

Pursuant to the Investment Advisory Agreement dated January 30, 2015 made among us, Fairfax, Hamblin Watsa Investment Counsel Ltd. (the "Portfolio Advisor") and our subsidiaries as part of our initial public offer ("IPO") in 2015, Fairfax is required to provide a Chief Executive Officer and a Chief Financial Officer and Corporate Secretary to us. For so long as the Investment Advisory Agreement remains in effect, all compensation paid to our Chief Executive Officer and Chief Financial Officer and Corporate Secretary will be borne by Fairfax. For the year ended December 31, 2015, we paid \$5.4 million to the Portfolio Advisor with respect to the Administration and Advisory Fee and \$ nil with respect to the Performance Fee. Please see "Investment Advisory Agreement".

Name and principal position with Fairfax India	Year	Salary	Option-Based Awards ⁽¹⁾	Non-Equity Incentive Plan Compensation		All Other Compensation	Total Compensation
				Annual Incentive Plans ⁽²⁾	Long-Term Incentive Plans		
Chandran Ratnaswami ⁽³⁾⁽⁴⁾⁽⁶⁾⁽⁷⁾ Chief Executive Officer	2015	\$234,887	\$470,977	\$176,165	—	—	\$882,029
John Varnell ⁽³⁾⁽⁵⁾⁽⁶⁾⁽⁸⁾ Chief Financial Officer and Corporate Secretary	2015	\$313,183	\$269,556	\$234,887	—	—	\$817,626
Amy Tan ⁽⁹⁾ Chief Executive Officer of FIH Mauritius Investments Ltd and FIH Private Investments Ltd	2015	\$125,000	\$39,012	\$26,000	—	—	\$190,012
Mayur Gadhia ⁽¹⁰⁾ Director of Finance	2015	\$119,374	—	\$41,781	—	\$11,744	\$172,899

- (1) The fair value of option-based awards is determined using the Black-Scholes option pricing model. We account for option grants by amortizing the market value of the underlying shares at the date of the grant (a higher amount than the value using the Black-Scholes option-pricing model) over the number of years during which the option vests.
- (2) Beyond the cash bonus amount shown in this column, each of our Chief Executive Officer and Chief Financial Officer and Corporate Secretary also received an award of options on our previously issued subordinate voting shares or on previously issued subordinate voting shares of Fairfax in respect of part of the annual bonus award. Details of such option grants are reflected under "Option-Based Awards" in this summary compensation table. See notes 3, 7 and 8.
- (3) For so long as the Investment Advisory Agreement remains in effect, all compensation (including salary and bonus) paid to our Chief Executive Officer and Chief Financial Officer and Corporate Secretary will be borne by Fairfax. The amounts thereof shown in the table above represent a portion of the amounts paid to them in total by Fairfax; the portion is the proportion of the time spent on the activities of the Company, as determined by the Portfolio Advisor under the Investment Advisory Agreement.
- (4) The allocated salary of C\$300,000 and cash bonus of C\$225,000 for Mr. Ratnaswami (representing 60% of the respective amounts payable by Fairfax in 2015) were converted into U.S. dollar equivalents based on an average exchange rate of 1 U.S.\$ = C\$1.27721 for 2015.
- (5) The allocated salary of C\$400,000 and cash bonus of C\$300,000 for Mr. Varnell (representing 80% of the respective amounts payable by Fairfax in 2015) were converted into U.S. dollar equivalents based on an average exchange rate of 1 U.S.\$ = C\$1.27721 for 2015.
- (6) The fair value of Mr. Ratnaswami's and Mr. Varnell's awards of options on 96,712 and 48,356, respectively, of our previously issued subordinate voting shares was determined using a risk free rate of 2.64% per annum, an expected life of 15 years, volatility of 14.5% and an expected dividend yield of zero.
- (7) The fair value of Mr. Ratnaswami's award of options on 17,661 of our previously issued subordinate voting shares, which was received in respect of his annual bonus award (see note 2), was determined using a risk free rate of 2.01% per annum, an expected life of 15 years, volatility of 26.3% and an expected dividend yield of zero.
- (8) The fair value of Mr. Varnell's award of options on 232 previously issued subordinate voting shares of Fairfax, which he received in respect of part of his annual bonus award (see note 2), was determined using a risk free rate of 2.44% per annum, an expected life of 15 years, volatility of 26.6% and an expected dividend yield of 3%. The fair value of Mr. Varnell's award of options on 144 previously issued subordinate voting shares of Fairfax, which he received in respect of another part of his annual bonus award (see note 2), was determined using a risk free rate of 1.88% per annum, an expected life of 15 years, volatility of 26.7% and an expected dividend yield of 2%.
- (9) The fair value of Ms. Tan's award of options on 9,671 of our previously issued subordinate voting shares was determined using a risk free rate of 2.64% per annum, an expected life of 15 years, volatility of 14.5% and an expected dividend yield of zero.
- (10) Represents a salary of C\$152,466 and other compensation of C\$15,000 paid since Mr. Gadhia joined the Company on February 17, 2015 and converted into U.S. dollar equivalents based on an average exchange rate of 1 U.S.\$ = C\$1.27721 for 2015. Mr. Gadhia's annual base salary for 2015 was C\$175,000.

Equity Compensation Plan

Our equity compensation plan was established in 2015. No significant changes have been made to the plan since it was established, and any changes would require the approval of the Governance, Compensation and Nominating Committee. Under the plan, stock-related awards in the form of options or restricted shares may be made to our executive officers. Any awards to our Chief Executive Officer and Chief Financial Officer and Corporate Secretary will be borne by Fairfax for so long as the Investment Advisory Agreement remains in effect. An award made to any individual is on a one-time or infrequent basis, any additional award regularly reflecting an increase in responsibilities, with a general alignment of the aggregate amount of awards to executive officers with comparable degrees of responsibility. The awards granted are expected to be held, not traded; we have no pension plan, so these awards are our form of long term incentive, whose value is determined by the performance of the Company over the long term. A grant decision is made by the Governance, Compensation and Nominating Committee on the recommendation of our Chairman. The awards are made of our subordinate voting shares which have been previously issued and the shares underlying these awards are purchased in the market, so that they involve no previously unissued stock and consequently no dilution to shareholders. As at December 31, 2015, a total of 9,671 unexercised and unexpired options have been granted to our employees, representing less than 0.02% of our subordinate voting shares outstanding as at that date. For participants in Canada, the plan operates as much as possible like a restricted share plan but, in light of differences in applicable tax law, is structured instead to provide awards of options on previously issued shares purchased in the market, with the exercise price of each share being at least the closing market price on the date preceding the date of grant. The option is generally exercisable as to 50% five years from the date of grant and as to the remainder ten years from the date of grant or 100% five years from the date of grant, subject to the grantee remaining an employee of us or our subsidiaries at the time the option becomes exercisable, and generally expires 15 years from the date of grant but is automatically extended from time to time up until the time of retirement. We regard any option as a long term incentive.

Only option-based awards have been granted to our named executive officers under the plan. Details of the above-described options on previously issued subordinate voting shares granted to our named executive officers as at December 31, 2015 are shown below:

Name	Number of securities underlying unexercised options	Option exercise price	Option expiration date ⁽¹⁾	Value of unexercised in-the-money options ⁽²⁾
Chandran Ratnaswami ⁽³⁾	96,712	\$10.34	March 6, 2030	—
John Varnell ⁽³⁾	48,356	\$10.34	March 6, 2030	—
Amy Tan	9,671	\$10.34	March 6, 2030	—
Mayur Gadhia	—	—	—	—

(1) The options generally expire 15 years from the date of grant and are automatically extended from time to time up until the time of retirement.

(2) The value of unexercised in-the-money options is calculated by subtracting the exercise price of an option to acquire one subordinate voting share from the market value of one of our subordinate voting shares at the end of 2015, and multiplying that difference by the number of unexercised options. That value does not include any deduction to recognize that some or all unexercised options may never become exercisable.

(3) For so long as the Investment Advisory Agreement remains in effect, all compensation paid to our Chief Executive Officer and Chief Financial Officer and Corporate Secretary will be borne by Fairfax, including any costs relating to option grants.

No option-based awards granted to our named executive officers have vested during 2015.

Compensation Discussion and Analysis

Pursuant to the Investment Advisory Agreement, Fairfax is required to provide a Chief Executive Officer and a Chief Financial Officer and Corporate Secretary to us. For so long as the Investment Advisory Agreement remains in effect, all compensation paid to our Chief Executive Officer and Chief Financial Officer and Corporate Secretary will be borne by

Fairfax. For the year ended December 31, 2015, we paid \$5.4 million to the Portfolio Advisor with respect to the Administration and Advisory Fee and \$ nil with respect to the Performance Fee. Please see “Investment Advisory Agreement”.

Our Governance, Compensation and Nominating Committee, in consultation with our Chairman, is responsible for establishing our general compensation philosophy and participating in the establishment and oversight of the compensation and benefits of our executive officers. Our executive compensation program is designed to align the interests of our executives and shareholders by linking compensation with our performance and to be competitive on a total compensation basis in order to attract and retain executives. The remuneration of our executive officers consists of an annual base salary, an annual bonus and long term participation in our fortunes by the ownership of shares through the equity compensation plan (details of this participation are set out above under “Equity Compensation Plan”). Our executive officers have no written employment contracts and no termination or change in control benefits. Our executive officers and directors are prohibited from purchasing financial instruments (including but not limited to hedges, puts, equity swaps or monetization arrangements) that are designed to hedge or offset a decrease in the market value of the Company’s equity securities granted to them under our equity compensation plans.

The base salaries of our executive officers are intended to be competitive but to remain relatively constant, generally increasing only when the executive assumes greater responsibilities. A discretionary bonus, if and to the extent appropriate, is awarded annually. The annual bonus is generally paid partly in cash and partly in options on our previously issued subordinate voting shares (such options are described under “Equity Compensation Plan”). Internally, the value of an option for bonus purposes is the full market value of the shares underlying the option at the time of the option grant; it is not valued for bonus purposes at the lesser value using the Black-Scholes option pricing model. In awarding bonuses, the Governance, Compensation and Nominating Committee considers the performance of our executive team during the year in light of its accomplishments: there are no corporate or individual performance goals or objectives set or evaluated.

Our Chairman makes compensation recommendations to the Governance, Compensation and Nominating Committee reflecting consideration of the achievements of our executive team during the year and our corporate objective to achieve a high rate of compound growth in book value per share over the long term. The Governance, Compensation and Nominating Committee evaluates the factors considered by our Chairman and decides whether to approve or adjust the recommendations for compensation of our executive officers.

Compensation of the Executive Officers for 2015

For 2015, our Chairman proposed to our Governance, Compensation and Nominating Committee the remuneration of our executive officers other than for the Chief Executive Officer and Chief Financial Officer and Corporate Secretary (whose compensation is borne by Fairfax for so long as the Investment Advisory Agreement remains in effect). The Governance, Compensation and Nominating Committee considered the proposals by our Chairman, which included a description of the accomplishments of our executives. The Governance, Compensation and Nominating Committee evaluated and approved the compensation of our executive officers. Details of the compensation awarded to our named executive officers for 2015 are shown in the “Summary Compensation Table” above.

Compensation of the Chief Executive Officer and Chief Financial Officer for 2015

For so long as the Investment Advisory Agreement remains in effect, all compensation paid to our Chief Executive Officer and Chief Financial Officer and Corporate Secretary will be borne by Fairfax. Please see “Investment Advisory Agreement”.

Statement of Corporate Governance Practices

As part of our IPO in January 2015, our Board (i) approved a set of Corporate Governance Guidelines that includes the Board’s written mandate, (ii) established a Governance, Compensation and Nominating Committee (in addition to the previously established Audit Committee), (iii) approved written charters for all of its committees (which charters include position descriptions for the Chair of each committee), (iv) approved a Code of Business Conduct and Ethics applicable to

our directors, officers and employees and (v) established, in conjunction with the Audit Committee, a Whistleblower Policy. All of these items are available for review on our website at www.fairfaxindia.ca under the heading “Corporate Governance”.

The Corporate Governance Guidelines retain and enhance the principles and practices as underlying our governance system. The Code of Business Conduct and Ethics is built around the first value in our Guiding Principle — “honesty and integrity are essential in all our relationships and will never be compromised”.

Our corporate governance practices are in compliance with all applicable rules and substantially comply with all applicable policies and guidelines, including those of the Canadian Securities Administrators. A description of our corporate governance practices is set out below.

Various of our directors are also directors of one or more of our affiliates. The time commitment required for serving on those boards is not materially greater than the time commitment required for serving solely on our Board. All of the material information regarding our affiliates is provided to our directors, so that once a director has undertaken the review and preparation necessary to serve as a director of the Company, there is not substantial additional review or preparation required to serve as a director of our affiliates.

Independent Directors

The Board has affirmatively determined that (other than Mr. Watsa, Mr. Ratnaswami and Mr. Raghavan) our other directors are independent in that each of them has no material relationship with us, that is, a relationship which could, in the Board’s view, be reasonably expected to interfere with the exercise of the member’s independent judgment. In making this determination, the Board considered, among other things, that none of those individuals (i) is, or has been since we were established in November 2014, an employee or member of management of us or our subsidiaries or related to any member of management, (ii) is related to our controlling shareholder, (iii) is associated with our auditor or has any family member that is associated with our auditor, (iv) receives any direct or indirect compensation (including to family members) from us except in connection with Board related work, (v) works or has worked at a company for which any member of our management was a member of the compensation committee, or (vi) has (other than possibly as an insured under an insurance policy issued on usual commercial terms) any material business or other relationship with us, our subsidiaries or our controlling shareholder. Accordingly, all of our directors are independent except for Mr. Watsa, Mr. Ratnaswami and Mr. Raghavan. Shareholders and others may communicate with our non-management directors by addressing their concerns in writing to our Corporate Secretary or, marked “Private and Confidential”, to our Lead Director, at 95 Wellington Street West, Suite 800, Toronto, Canada M5J 2N7.

Our directors have an ongoing obligation to inform the Board of any material changes in their circumstances or relationships that may affect the Board’s determination as to their independence and, depending on the nature of the change, a director may be asked to resign as a result.

Lead Director and Independent Functioning of the Board

Our Chairman is also the CEO of Fairfax, our controlling shareholder. Accordingly, the Board has appointed Anthony Griffiths as the Lead Director of the Company. The Lead Director is responsible for ensuring the independent functioning of the Board, including establishing, in consultation with the CEO, the agenda for each Board meeting, acting as spokesperson for the independent directors collectively in communications with the Chairman and presiding over meetings of the independent directors.

The agenda for each Board meeting (and each committee meeting to which members of management have been invited) affords an opportunity for the independent directors to meet separately and the independent directors regularly exercise that opportunity. In 2015, our independent directors held three *in camera* meetings, at which 100% of the independent directors attended. All committees are composed solely of independent directors.

Corporate Governance Guidelines (including Board Mandate)

Our Corporate Governance Guidelines, which include our Board Mandate, set out the overall governance principles that apply to us. Our Corporate Governance Guidelines include (i) position descriptions for each of the Chairman, the Lead Director and the CEO, (ii) sole authority for the Board and each committee to appoint, at our expense, outside advisors in connection with the performance of its duties, including determining fees and other retention terms, (iii) a mechanism for shareholders and others to communicate with us, (iv) obligations of directors in respect of meeting preparation and attendance, (v) accountability of the CEO to the Board for implementing and achieving our Guiding Principles and corporate objectives approved by the Board and (vi) the Board's adoption of and commitment to the Code of Business Conduct and Ethics, which is applicable to all of our directors, officers and employees.

In our Corporate Governance Guidelines, the Board has explicitly assumed responsibility for our stewardship and for supervising the management of our business and affairs. Our Board Mandate states:

The directors' primary responsibility is to act in good faith and to exercise their business judgment in what they reasonably believe to be the best interests of the Company. In fulfilling its responsibilities, the Board is, among other matters, responsible for the following:

- Appointing the CEO and other corporate officers;
- On an ongoing basis, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and the other executive officers create a culture of integrity throughout the Company;
- Monitoring and evaluating the performance of the CEO and the other executive officers against the approved Guiding Principle and corporate objectives;
- Succession planning;
- Approving, on an annual basis, the Company's Guiding Principle and corporate objectives;
- Satisfying itself that the Company is pursuing a sound strategic direction in accordance with the approved Guiding Principle and corporate objectives;
- Reviewing operating and financial performance results relative to established corporate objectives;
- Approving an annual fiscal plan;
- Ensuring that it understands the principal risks of the Company's business, and that appropriate systems to manage these risks are implemented;
- Ensuring that the materials and information provided by the Company to the Board and its committees are sufficient in their scope and content and in their timing to allow the Board and its committees to satisfy their duties and obligations;
- Reviewing and approving the Company's annual and interim financial statements and related management's discussion and analysis, annual information form, annual report and management proxy circular;
- Approving material acquisitions and divestitures;
- Confirming the integrity of the Company's internal control and management information systems;
- Approving any securities issuances and repurchases by the Company;
- Declaring dividends;
- Approving the nomination of directors;
- Approving the charters of the Board committees and approving the appointment of directors to Board committees and the appointment of the Chairs of those committees; and
- Adopting a communications policy for the Company (including ensuring the timeliness and integrity of communications to shareholders and establishing suitable mechanisms to receive shareholder views).

Our Board has delegated to management responsibility for our day to day operations, including for all matters not specifically assigned to the Board or any committee of the Board.

Audit Committee

The members of our Audit Committee are Alan Horn (Chair), Anthony Griffiths and Christopher Hodgson, all of whom are independent and financially literate. Mr. Horn has accounting or related financial management expertise and is a former partner of an accounting firm, was for many years the Chief Financial Officer of a public company listed on the TSX and has considerable experience on boards of directors and audit committees of public companies. Mr. Griffiths received an MBA from Harvard University, has extensive experience as an audit committee member and director of a number of public companies and has a sound understanding of accounting principles, including those used in the preparation of our financial statements. Mr. Hodgson has significant experience with financial statement disclosure as the Lead Director for the Brick Ltd. For additional information concerning Messrs. Horn, Griffiths and Hodgson, please see the information above under “Election of Directors”.

Our Corporate Governance Guidelines prohibit a member of the Audit Committee from serving on the Audit Committees of more than two other public companies (with the exception of our subsidiaries) except with the prior approval of the Board, including a determination by the Board that such service would not impair the ability of the director to effectively serve on the Audit Committee. No member of our Audit Committee serves on the audit committees of more than two other public companies.

The responsibilities of the Audit Committee include (i) recommending to the Board the auditor to be nominated for approval by shareholders, (ii) approving the compensation of the auditor, (iii) overseeing the work of the auditor and management with respect to the preparation of financial statements and audit related matters and communicating regularly with the auditor and management in that regard, (iv) ensuring that suitable internal control and audit systems are in place, (v) reviewing annual and interim financial information, including MD&A, prior to its release and (vi) reviewing annual and interim conclusions about the effectiveness of our disclosure controls and procedures and internal controls and procedures. The text of our Audit Committee Charter can be found on our website (www.fairfaxindia.ca) or in our Annual Information Form under the heading “Audit Committee”, which is available on SEDAR (www.sedar.com). Our Annual Information Form also contains information concerning fees paid to our external auditors for services they have rendered to us in the last fiscal year (given that we completed our IPO in January 2015).

In order to ensure the independence of our external auditor, the Committee has adopted a Policy on Review and Approval of Auditor's Fees requiring Audit Committee approval of all audit and non-audit services provided by the auditor and, among other things, requiring the CFO and the auditor to report to the Committee quarterly on the status of projects previously pre-approved.

Governance, Compensation and Nominating Committee

The members of our Governance, Compensation and Nominating Committee are Anthony Griffiths (Chair), Alan Horn and Christopher Hodgson, all of whom are independent and have the necessary skills and experience to enable them to make decisions on the suitability of our compensation policies and practices. Mr. Griffiths has experience in executive compensation as a former Chief Executive Officer and Chairman of Mitel Corporation, where he was directly involved in executive compensation decision-making, as the Chairman of Novadaq Technologies Inc., and from having served on several other public company boards of directors. Mr. Horn is the President and Chief Executive Officer of Rogers Telecommunications Limited and has been Chairman of Rogers Communications Inc. since March 2006 and has extensive experience in compensation matters. Mr. Hodgson is the President of the Ontario Mining Association and has extensive experience in compensation matters, including his previous experience as Chair of the Compensation Committee for The Brick Ltd., Chairman of the Management Board of Cabinet and Commissioner of the Board of Internal Economy of the Province of Ontario. The Committee is responsible for our overall approach to corporate governance establishing the compensation of directors and approving the compensation of the executive officers. In establishing the compensation of the directors, the Committee will examine the time commitment, responsibilities and risks associated with being a director and compensation paid by companies similar to us. In approving the compensation of the executive

officers, the important factors for evaluating performance are our Guiding Principle and corporate objectives, as more fully described above under “Compensation Discussion and Analysis”. The Committee recommends nominations to the Board each year and recommends the directors it considers qualified for appointment to each Board committee and as Chair of each committee. The Committee is also responsible for annually evaluating and reporting to the Board on the performance and effectiveness of the Board, each of its committees and each of its directors. In conducting that evaluation, the Committee considers the Corporate Governance Guidelines, applicable committee charters and position descriptions, and the contributions individual members are expected to make. The Committee also monitors changes in the area of corporate governance and recommends any changes it considers appropriate.

Selection of Directors and Diversity

We seek as directors committed individuals who have a high degree of integrity, sound practical and commercial judgment, and an interest in the long term best interests of us and our shareholders. With this goal in mind, each year the Board determines what competencies and skills the Board as a whole should possess (taking into account our particular business and what competencies and skills each existing director possesses). The Board makes these determinations at a time suitable for the Governance, Compensation and Nominating Committee to reflect them in its recommendations for nominees to the Board. In making its recommendations, the Governance, Compensation and Nominating Committee also considers the competencies and skills any new nominee may possess, the independence requirements and the requirements for any distinctive expertise.

The qualities which we seek in our directors as well as in our senior management severely restricts the availability of suitable individuals, as does our experience that a director or member of senior management should be an individual with whom we have had sufficient experience that we can be confident of our mutual compatibility. Given these limiting paramount considerations, the achievement of diversity of race, gender, national origin, sexual orientation or similar categorizations is not generally a factor in our choice of directors or senior management, and we do not have any formal policy on gender or other diversity on our Board or in senior management or on the identification and nomination of female directors, do not have fixed percentages or targets for any selection criteria, and are not considering establishing any measurable objectives in that regard.

There is currently one female director (13%) on our Board, and one of our three executive officers (33%) is female.

Orientation and Continuing Education of Directors

Each new director receives a comprehensive orientation from our Chairman, including an overview of the role of the Board, the Board committees and each individual member, the nature and operation of our business and the contribution and time commitment the new director is expected to make. The orientation will include access to our senior management and facilities. The Lead Director will also meet with each new director to orient that director on the independent operation and functioning of the Board. Our directors are invited to ask questions at any time of any officer or director of the Company or its subsidiaries.

The Board is responsible for considering from time to time appropriate continuing education for directors, which may include presentations from management, site visits and presentations from industry experts. Each director is expected to maintain the necessary level of expertise to perform his or her responsibilities as a director and, as discussed in more detail below, is subject to an annual evaluation.

Board Performance Evaluation

Each year a confidential annual review process is completed to assess the overall effectiveness of the Board, the individual directors and each committee. As part of this process, each director completes a Board Effectiveness Survey and a Confidential Director Self-Evaluation Form. The Board Effectiveness Survey reviews Board responsibilities, operation and effectiveness. The Director Self-Evaluation Form asks directors to consider their participation on and contributions to the Board and its committees and their goals and objectives in serving as a director of our company. The Chair of the Governance, Compensation and Nominating Committee collates the results of the survey and meets with individual

directors to discuss evaluations at a director's request (or as required to address a specific issue) and reports to the Governance and Nominating Committee and to the Board on evaluation results.

Ethical Business Conduct

The Board has approved a Code of Business Conduct and Ethics that is built around the first value in our Guiding Principle — “honesty and integrity are essential in all our relationships and will never be compromised”. The Board is responsible for monitoring compliance with the Code and accordingly has, in conjunction with the Audit Committee, established a Whistleblower Policy pursuant to which violations of the Code can be reported confidentially or anonymously and without risk of recrimination. The Board has also approved a Public Disclosure Policy applicable to all directors and employees and those authorized to speak on our behalf.

Among other things, the Code requires every director, officer and employee of Fairfax India to be scrupulous in seeking to avoid any actual, potential or perceived conflict of interest and to constantly consider whether any may exist. If any material transaction or relationship that could give rise to a conflict of interest arises, the individual must immediately advise the Chair of the Audit Committee in writing and not take any action to proceed unless and until the action has been approved by the Audit Committee. The Governance, Compensation and Nominating Committee also reviews all proposed significant related party transactions involving directors, executive officers or a controlling shareholder.

Term Limits

We do not impose term limits on our directors, believing that this arbitrary mechanism for removing directors can result in valuable, experienced directors being forced to leave the Board and that the nomination and voting process will only produce directors who are able to make a meaningful contribution.

Succession Planning

Pursuant to the Investment Advisory Agreement, Fairfax is required to provide a Chief Executive Officer and a Chief Financial Officer and Corporate Secretary to us. For so long as the Investment Advisory Agreement remains in effect, all compensation paid to our Chief Executive Officer and Chief Financial Officer and Corporate Secretary will be borne by Fairfax. Please see “Investment Advisory Agreement”. All Board members are personally familiar with the individuals who constitute our senior management, by virtue of senior management's contacts, in the ordinary course of their duties, with the Board members, and of senior management's attendance as invitees at Board meetings, and as a result of discussions, communications and meetings pursuant to our policies and practices whereby any director is free at any time to communicate with any member of management.

Risk Management

The primary goals of our risk management are to ensure that the outcomes of activities involving elements of risk are consistent with our objectives and risk tolerance, while maintaining an appropriate balance between risk and reward and protecting our consolidated balance sheet from factors that have the potential to materially impair our financial strength.

Our risk management objectives are achieved by detailed risk management processes and procedures provided by our Portfolio Advisor, through the Investment Advisory Agreement, by the Company itself and by our primary operating subsidiaries, FIH Mauritius Investments Ltd and FIH Private Investments Ltd.

Investment Advisory Agreement

Pursuant to the Investment Advisory Agreement, dated January 30, 2015 (the “Investment Advisory Agreement”) made among us, Fairfax and Hamblin Watsa Investment Counsel Ltd. (the “Portfolio Advisor”) and our subsidiaries as part of our initial public offer (“IPO”) in 2015, Fairfax is required to provide a Chief Executive Officer and a Chief Financial Officer and Corporate Secretary to us. For so long as the Investment Advisory Agreement remains in effect, all compensation paid to our Chief Executive Officer and Chief Financial Officer and Corporate Secretary will be borne by Fairfax.

In providing its advice and recommendations, the Portfolio Advisor first determines which entity, as between us and our subsidiaries, is best-suited to make such an investment. In the event that the Portfolio Advisor determines that we are best-suited to make an investment, the Portfolio Advisor will have discretionary authority to negotiate and complete the investment on our behalf. If the Portfolio Advisor determines that one of our subsidiaries is best-suited to make the investment, the Portfolio Advisor will provide advice and recommendations relating to such investment to the applicable Board of our subsidiary, at which point the ultimate investment analysis and decision will be made by such Board. In connection with the Portfolio Advisor's advice and recommendations to the Board of our subsidiary with respect to a particular investment, the Portfolio Advisor will also provide advice relating to appropriate levels of leverage in respect of such investments.

The Portfolio Advisor, and any agent to whom the Portfolio Advisor has validly delegated any of its duties, is required to exercise its powers and discharge the duties of its office honestly and in good faith and to exercise the care, diligence and skill that a reasonably prudent investment advisor would exercise in comparable circumstances. The Investment Advisory Agreement provides that the Portfolio Advisor will not be liable in any way for any losses suffered by us or our subsidiaries as a result of an error in implementing investment advice unless caused by the gross negligence, wilful misconduct or fraud of the Portfolio Advisor or its agents.

The Portfolio Advisor provides investment advice to us and our subsidiaries in accordance with our investment objective. The services performed by the Portfolio Advisor are conducted only by officers and employees who have appropriate experience and qualifications.

As compensation for the provision of portfolio administration and investment advisory services to be provided by Fairfax and the Portfolio Advisor, we shall pay the Administration and Advisory Fee (as defined below) and, if applicable, the Performance Fee (as defined below), in each case, together with any applicable sales taxes thereon to Fairfax (which shall be responsible for paying any portion of such fees to which the Portfolio Advisor is entitled to).

The administration and advisory fee (the “**Administration and Advisory Fee**”) is calculated as 0.5% of the value of undeployed capital and 1.5% of net asset value less the value of undeployed capital. For the year ended December 31, 2015, we have determined that the majority of our assets (with the exception of its investment in NCML and IIFL) represent undeployed capital and that the 0.5% per annum fee is payable on the net asset value for the period from January 30, 2015 (the date of the IPO) to December 31, 2015, less the fair value of NCML and IIFL which is considered as deployed capital. A fee of 1.5% per annum based on the fair values of NCML and IIFL as at December 31, 2015 is accrued from the date of closing of each acquisition until December 31, 2015. The investment and advisory fee for the year ended December 31, 2015 was \$5.4 million.

The performance fee is paid for the period from January 30, 2015 to December 31, 2017 and for each consecutive three-year period thereafter, and is calculated, on a cumulative basis, as 20% of any increase in net asset value (including distributions) above a 5% per annum increase. The company has determined that the performance fee is not applicable for the year ended December 31, 2015.

For a detailed description of the Performance Fee, please see “Summary of Fees and Expenses” and “Calculation of Total Assets and Net Asset Value” in our IPO Prospectus filed on SEDAR (www.sedar.com) and Note 11 to our financial statements in our 2015 Annual Report filed on SEDAR (www.sedar.com).

Solicitation of Proxies

Our management is soliciting the enclosed proxy for use at the Annual Meeting of Shareholders to be held on April 14, 2016 and at any adjournment or postponement thereof. We will bear the cost of soliciting proxies. We will reimburse brokers, custodians, nominees and other fiduciaries for their reasonable charges and expenses incurred in forwarding proxy material to beneficial owners of shares. In addition to solicitation by mail, certain of our officers and employees may solicit proxies personally or by a means of telecommunication. These persons will receive no compensation beyond their regular salaries for so doing.

The information contained in this Management Proxy Circular is given as at March 11, 2016, except where otherwise noted.

Provisions Relating to Proxies

A properly executed proxy delivered to our transfer agent, Computershare Trust Company of Canada, at Proxy Department, 100 University Avenue, 8th Floor, Toronto, Canada M5J 2Y1 (if delivered by mail or by hand); at (416) 263-9524 or 1-866-249-7775 (if delivered by fax); or by telephone at 1-866-732-VOTE (8683); or online at www.investorvote.com, so that it is received before 5:00 p.m. (Toronto time) on April 12, 2016 (or, in the event of an adjournment or postponement, the last business day prior to the adjourned or postponed meeting); or to the chairman or secretary of the meeting for which the proxy is given before the time of voting, will be voted or withheld from voting, as appropriate, at the meeting and, if a choice is specified in respect of any matter to be acted upon, will be voted or withheld from voting in accordance with the direction given. In the absence of such direction, such proxy will be voted with respect to the election of directors and appointment of auditors as described above.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments to or variations of matters identified in the notice of meeting and with respect to other matters which may properly come before the meeting. At the date of this Management Proxy Circular, our management knows of no such amendments, variations or other matters.

The persons named in the enclosed proxy are our Chairman and Chief Executive Officer. **If you wish to appoint some other person to represent you at the meeting, you may do so either by inserting such other person's name in the blank space provided in the enclosed proxy or by completing another form of proxy.** Such other person need not be a shareholder.

Under governing law, only registered holders of our subordinate voting and multiple voting shares, or the persons they appoint as their proxies, are permitted to attend and vote at the meeting. However, in many cases, our subordinate voting shares beneficially owned by a holder (a "Non-Registered Holder") are registered either:

- (a) in the name of an intermediary that the Non-Registered Holder deals with in respect of the shares, such as, among others, banks, trust companies, securities dealers, brokers, or trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- (b) in the name of a depository (such as CDS Clearing and Depository Services Inc. or Depository Trust Company).

In accordance with Canadian securities law, we are distributing copies of the notice of meeting, this Management Proxy Circular, the form of proxy and the 2015 Annual Report (which includes management's discussion and analysis) (collectively, the "meeting materials") to the depositories and intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, intermediaries will use service companies to forward the meeting materials to Non-Registered Holders. Non-Registered Holders who have not waived the right to receive meeting materials will:

- A. be given a proxy which has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it as described above; or
- B. more typically, receive, as part of the meeting materials, a voting instruction form which must be completed, signed and delivered by the Non-Registered Holder in accordance with the directions on the voting instruction form (which may in some cases permit the completion of the voting instruction form by telephone or online).

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the shares they beneficially own. Should a Non-Registered Holder who receives either a proxy or a voting instruction form wish to attend and vote at the meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their intermediaries and their service companies.**

If you have given a proxy, you may revoke it by an instrument in writing executed by you or by your attorney authorized in writing or, if you are a corporation, under your corporate seal or by an officer or attorney duly authorized, and deposited either at our head office at any time up to and including the last business day preceding the day of the meeting, or any adjournment or postponement thereof, at which the proxy is to be used or with the chairman or secretary of the meeting on the day of the meeting or any adjournment or postponement thereof.

A Non-Registered Holder may revoke a voting instruction form or a waiver of the right to receive meeting materials and to vote given to an intermediary at any time by written notice to the intermediary, except that an intermediary is not required to act on a revocation of voting instruction form or of a waiver of the right to receive materials and to vote that is not received by the intermediary at least seven days prior to the meeting.

Approval

Our Board of Directors has approved the contents of this Management Proxy Circular and the sending thereof to our shareholders.

By Order of the Board,

Dated March 11, 2016

John Varnell
Chief Financial Officer
and Corporate Secretary

Fairfax India Holdings Corporation
95 Wellington Street West, Suite 800, Toronto, Canada M5J 2N7

FAIRFAX INDIA
HOLDINGS CORPORATION
