

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

September 28, 2017

Date of Report (Date of earliest event reported)

WHITE MOUNTAINS INSURANCE GROUP, LTD.

(Exact name of registrant as specified in its charter)

Bermuda
(State or other jurisdiction of
incorporation or organization)

1-8993
(Commission file number)

94-2708455
(I.R.S. Employer Identification No.)

80 South Main Street, Hanover, New Hampshire 03755
(Address of principal executive offices)

(603) 640-2200

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 1.01 Entry into a Material Definitive Agreement.

The information set forth in Item 2.01 of this Current Report on Form 8-K is incorporated herein by reference.

ITEM 2.01 Completion of Acquisition or Disposition of Assets.

On September 28, 2017, OneBeacon Insurance Group, Ltd. (“OneBeacon”), a non-wholly owned subsidiary of White Mountains Insurance Group, Ltd. (“White Mountains”), completed its previously announced merger (the “Merger”) with a subsidiary of Intact Financial Corporation (“Intact”), pursuant to the terms of the Agreement and Plan of Merger, dated as of May 2, 2017 (the “Merger Agreement”), by and among OneBeacon, Intact, Intact Bermuda Holdings Ltd., a wholly owned subsidiary of Intact (“Holdco”) and Intact Acquisition Co. Ltd., a wholly owned subsidiary of Holdco. At the effective time of the Merger, each of the 71,754,738 Class B common shares of OneBeacon owned by Lone Tree Holdings Ltd. and Bridge Holdings (Bermuda) Ltd., each a wholly owned subsidiary of White Mountains, was automatically transferred to Holdco in exchange for the right to receive an amount in cash equal to \$18.10, without interest, for aggregate total proceeds of approximately \$1.3 billion. As of June 30, 2017, the transaction was estimated to result in a net gain of approximately \$528 million for White Mountains’s common shareholders.

On September 28, 2017, in connection with the closing of the Merger, White Mountains Advisors LLC, a wholly owned subsidiary of White Mountains (“WM Advisors”), and OneBeacon entered into the Second Amended and Restated Investment Management Agreement (the “IMA”), pursuant to which WM Advisors will continue to act as discretionary advisor with respect to certain assets of OneBeacon and its subsidiaries. The IMA amends and restates the Amended and Restated Investment Management Agreement, dated as of December 23, 2014 (as amended, the “Existing IMA”), by and between WM Advisors and OneBeacon. The foregoing summary is qualified in its entirety by the full text of the IMA, a copy of which is filed herewith as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference, and the Existing IMA and the amendments thereto, each previously filed with the Securities and Exchange Commission.

ITEM 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

In connection with the consummation of the Merger, the Board of Managers of OneBeacon Services, LLC approved the termination of the OneBeacon Supplemental Savings Plan and the OneBeacon Insurance Excess Benefit Plan, effective upon the effective time of the Merger. Certain employees of White Mountains, including Reid T. Campbell, Chief Financial Officer, participated in these plans. Upon these plan terminations, Mr. Campbell became entitled to receive (x) a lump sum payment of \$8,860, equal to his outstanding account balance under the OneBeacon Supplemental Savings Plan and (y) a lump sum payment equal to the present value of his accrued benefit under the OneBeacon Insurance Excess Benefit Plan, the amount of which will be determined at a later date.

ITEM 8.01 Other Events.

On September 28, 2017, White Mountains issued a press release announcing the closing of the Merger and the receipt of proceeds therefrom. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

ITEM 9.01 Financial Statements and Exhibits.

(b) Pro Forma Financial Information

White Mountains is filing as Exhibit 99.2 to this Current Report on Form 8-K the following unaudited pro forma condensed consolidated financial information, which is based on the historical financial statements of White Mountains and its consolidated subsidiaries, adjusted to give effect to the Merger:

- (1) Unaudited Pro Forma Condensed Consolidated Balance Sheet as of June 30, 2017; and
- (2) Unaudited Pro Forma Condensed Consolidated Statements of Operations for the years ended December 31, 2016, 2015 and 2014.

The Unaudited Pro Forma Condensed Consolidated Statements of Operations for the years ended December 31, 2016, 2015 and 2014 give effect to the Merger as if it occurred as of January 1, 2014. White Mountains has already reflected the removal of OneBeacon's results from continuing operations in its Quarterly Report on Form 10-Q for the period ended June 30, 2017 and has not included pro forma financial statements for the statement of operations for the six months ended June 30, 2017 in this Item 9.01. The Unaudited Pro Forma Condensed Consolidated Balance Sheet as of June 30, 2017 gives effect to the Merger as if it had been completed as of June 30, 2017. Such unaudited pro forma condensed consolidated financial information are not necessarily indicative of the operating results or financial position that actually would have been achieved if the Merger had been in effect as of the dates and for the periods indicated or that may be achieved in future periods, and should be read in conjunction with White Mountains's historical financial statements.

(d) Exhibits

Exhibit No.	Description
10.1	Second Amended and Restated Investment Management Agreement, dated as of September 28, 2017, by and between White Mountains Advisors LLC and OneBeacon Insurance Group, Ltd.
99.1	Press Release, dated as of September 28, 2017
99.2	Unaudited Pro Forma Condensed Consolidated Financial Statements

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.

WHITE MOUNTAINS INSURANCE GROUP, LTD.

Date: September 28, 2017

By: /s/ J. BRIAN PALMER
J. Brian Palmer
*Managing Director and
Chief Accounting Officer*

**SECOND AMENDED AND RESTATED
INVESTMENT MANAGEMENT AGREEMENT**

WHITE MOUNTAINS ADVISORS LLC, a Delaware limited liability company (the “Advisor”), having an address at 200 Hubbard Road, Guilford, Connecticut 06437, and OneBeacon Insurance Group, Ltd., an exempted limited liability company organized under the laws of Bermuda (the “Client”), having an address at 605 North Highway 169, Plymouth, Minnesota 55441, and each affiliate company of the Client listed on **Schedule B**, and each having an address of 605 North Highway 169, Plymouth, Minnesota 55441, or which hereinafter becomes a party to this Agreement (each, an “Affiliated Company”, and collectively, the “Affiliated Companies”), hereby enter into this Second Amended and Restated Investment Management Agreement (this “Agreement”), dated as of September 28, 2017, and hereby amend and restate in its entirety the Amended and Restated Investment Management Agreement, dated December 23, 2014. The parties hereby agree that the Advisor shall act as discretionary advisor with respect to certain assets of the Client and the Affiliated Companies described below (the “Investment Account”) on the following terms and conditions:

1. Investment Account. The Investment Account shall consist of the cash and securities of the Client and the Affiliated Companies managed by the Advisor pursuant to this Agreement.

2. Authority. The Client and each Affiliated Company hereby appoint the Advisor as advisor for the portion of the Investment Account comprised of its investment assets. Except as may be separately agreed in writing among the Advisor, the Client and any Affiliated Company from time to time, the Advisor hereby agrees to direct the investments in the Investment Account in accordance with the investment guidelines agreed upon by the Client, each Affiliated Company and the Advisor from time to time (the “Standard Guidelines”). Any other agreement by the Advisor, and the Client or an Affiliated Company to manage investment assets in a manner deviating from the Standard Guidelines shall be in writing. The board of directors (or other similar governing body) of the Client and each Affiliated Company shall oversee the activities of the Advisor pursuant to this Agreement and shall retain ultimate authority over the Investment Account, in each case, in relation to their respective investment assets and shall monitor services annually for quality assurance. In addition, the Advisor agrees to provide treasury management advisory services specific to the Investment Account (“Treasury Management Services”), as directed by the Client or any Affiliated Company. The Treasury Management Services include, without limitation, (i) executing investment transactions to support short-term treasury cash requirements, (ii) settling inter-company and dividend treasury transactions with cash and securities, (iii) settling quarterly tax liability payments from the Investment Account, (iv) providing preliminary valuation for securities supporting treasury transactions, (v) assisting the Client or any Affiliated Company in evaluating securities lending programs administered by custodians designated by the Client or such Affiliated Company and acceptable to the Advisor, and (vi) collaborating with the Client or any Affiliated Company to provide treasury transaction support to custodians and accounting servicing providers designated by the Client or such Affiliated Company and acceptable to the Advisor.

3. Advisor's Discretionary Authority. Subject to Section 2, the Advisor shall have full discretion and authority as agent and attorney-in-fact for the Client and each Affiliated Company: (a) to make all investment decisions in respect of the Investment Account on behalf of the Client and the Affiliated Companies and, except as otherwise provided in this Agreement, at the sole risk of the Client and the Affiliated Companies; (b) to buy, sell, exchange, convert, liquidate or otherwise trade in respect of the Investment Account in any stock, bond or other security or investment, including without limitation private investment funds, hedge funds, and other pooled investment vehicles (such private investment funds, hedge funds, and other pooled investment vehicles collectively referred to as "Funds"); (c) to facilitate the subscription for, redemption or transfer of interests in Funds (including but not limited to performing such acts and executing such documents as may be necessary to subscribe or redeem interests in Funds); and (d) in furtherance of the foregoing, to do anything which the Advisor shall deem requisite, appropriate or advisable in connection therewith, including, without limitation, the placing of orders with respect to, and arrangement for, any of the foregoing, and the selection of such brokers, dealers, sub-advisors and others as the Advisor shall determine in its absolute discretion. The Advisor will be responsible for engaging, contracting with, monitoring and terminating sub-advisors; however no sub-advisor shall be given discretionary authority over the Investment Account without the prior approval of the Client, and to the extent affecting the investment assets of any Affiliated Company, such Affiliated Company.

4. Liability. In the performance of its services, the Advisor will not be liable for any error in judgment or any acts or failures to act except those resulting from the Advisor's gross negligence, willful misconduct or malfeasance. Nothing herein shall in any way constitute a waiver or limitation of any right of any person under any applicable U.S. federal or state securities laws. The Advisor shall have no responsibility or liability or whatsoever in respect of assets outside the Investment Account.

5. Custody. Investment Account assets shall be held in one or more separately identified accounts in the custody of one or more banks, trust companies, brokerage firms or other entities designated by the Client and each Affiliated Company, and acceptable to the Advisor. The Advisor will communicate its investment purchase, sale and delivery instructions directly with the appropriate custodian or other qualified depository. The Client and each Affiliated Company shall be responsible for its respective custodial arrangements and the payment of all related custodial charges and fees, and the Advisor shall have no responsibility or liability with respect to custody arrangements or the acts, omissions or other conduct of the custodians.

6. Brokerage. When placing orders for the execution of transactions for the Investment Account, the Advisor may allocate all transactions to such brokers or dealers, for execution on such markets, at such prices and commission rates, as are selected by the Advisor in its sole discretion. In selecting brokers or dealers to execute transactions, the Advisor need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Advisor's practice to negotiate "execution only" commission rates, and, in negotiating commission rates, the Advisor shall take into account the financial stability and reputation of brokerage firms and brokerage and research services provided by such brokers. The Client or any Affiliated Company may be deemed to be

paying for research provided or paid for by the broker which is included in the commission rate although the Client or such Affiliated Company may not, in any particular instance, be the direct or indirect beneficiary of the research services provided. Research furnished by brokers may include, but is not limited to, written information and analyses concerning specific securities, companies or sectors, market, finance and economic studies and forecasts, certain financial publications, statistics and pricing services, discussions with research personnel, and certain software and data bases utilized in the investment management process. The Client and each Affiliated Company acknowledge that since commission rates are generally negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable.

The Advisor is hereby authorized to, and the Client and each Affiliated Company acknowledges that the Advisor may, aggregate orders on behalf of the Investment Account with orders on behalf of other clients of the Advisor. In such event, the allocation of the securities purchased or sold and the expenses incurred in the transaction shall be made in a manner that the Advisor considers to be fair and equitable to all of its clients, including the Client and the Affiliated Companies, and that is consistent with the allocation policies and procedures adopted and implemented by the Advisor, copies of which will be made available to clients upon request.

7. Representations and Warranties.

(a) The Client and each Affiliated Company represents, warrants and agrees that:

(i) it has full legal power and authority to enter into this Agreement;

(ii) the appointment of the Advisor hereunder is permitted by the Client's or such Affiliated Company's governing documents and has been duly authorized by all necessary corporate or other action;

(iii) it will indemnify the Advisor and hold it harmless against any and all losses, costs, claims and liabilities which the Advisor may suffer or incur arising out of any material breach of its representations and warranties in this Section 7(a);

(iv) it is not (a) an employee benefit plan, (b) an IRA, (c) a "benefit plan investor" subject to the Employee Retirement Income Security Act of 1974, as amended, or Section 4975 of the Internal Revenue Code of 1986, as amended, or (d) an entity in which the participation by benefit plan investors is "significant", as those terms are defined in regulations issued by the U.S. Department of Labor; and

(v) it understands that the Advisor will be relying upon the representations and information provided herein or in connection herewith by the Client and/or the Affiliated Companies in completing and entering into subscription agreements on behalf of the Investment Account.

(b) The Advisor represents, warrants and agrees that:

(i) it has full legal power and authority to enter into this Agreement;

(ii) it is registered as an investment adviser with the Securities and Exchange Commission pursuant to the Investment Advisers Act of 1940, as amended (the “Advisers Act”);

(iii) entering into this Agreement is permitted by the Advisor’s governing documents and has been duly authorized by all necessary corporate or other action;

(iv) it will indemnify the Client and each Affiliated Company and hold it harmless against any and all losses, costs, claims, and liabilities which the Client and/or such Affiliated Company may suffer or incur arising out of any material breach of any representations and warranties of the Advisor in this Section 7(b);

(v) it has established Anti-Money Laundering Policy & Procedures pursuant to Section 352 of the USA Patriot Act; and

(vi) it endeavors to value all securities at fair market value in a manner determined by the Advisor to be consistent with (1) its Valuations Policies and Procedures, as may be amended from time to time, and (2) industry practice. A copy of these policies and procedures is available to clients upon request. The Advisor will not serve as the official pricing agent with respect to the Investment Account but may provide recommendations regarding fair valuation, if the Client or an Affiliated Company so requests.

8. Reports. The Advisor shall provide the Client and each Affiliated Company with reports on the status of the Investment Account on a monthly basis. The books and records of the Client and the Affiliated Companies shall include those books and records developed or maintained under or related to this Agreement. All such records maintained pursuant to this Agreement shall be subject to examination by the Client and, as it relates to its own investment assets, each Affiliated Company, and by persons authorized by it, or by appropriate governmental authorities, at all times upon reasonable notice. The Advisor shall provide copies of trade tickets, custodial reports and other records that the Client and/or any Affiliated Company shall reasonably require for accounting or tax purposes.

9. Management Fee, Treasury Management Fee and Expenses.

(a) The Advisor will be paid a quarterly management fee and Treasury Management Fee (the “Management Fee”) for its investment advisory services and Treasury Management Services provided hereunder, determined in accordance with Schedule A to this Agreement. For purposes of Schedule A, the Management Fee shall be calculated treating the Investment Account as a single pool. The Management Fee shall be borne by the Client and the Affiliated Companies pro rata based on their respective Investment Account assets. During the term of this Agreement, the Management Fee shall be calculated in compliance with the NAIC Accounting Practices and Procedures Manual and billed and payable in arrears on a quarterly basis within sixty (60) days after the last day of each calendar quarter based upon the value of the Investment Account as of the last day of the said calendar

quarter. The Management Fee shall be pro-rated for any partial quarter. Capital inflows and outflows will be time-weighted so that the Management Fee will be charged for only the period of time such assets are actually managed by the Advisor. In the event that the Management Fee is to be paid by the custodian out of the Investment Account, the Client and/or the relevant Affiliated Company will provide written authorization to the custodian.

(b) The Client or an Affiliated Company shall be responsible for all expenses incurred directly in connection with transactions effected on behalf of the Client or such Affiliated Company pursuant to this Agreement. These expenses shall include but are not limited to (i) custodial fees; (ii) PAM accounting service fees, (iii) Charles River (or other) compliance service fees, (iv) investment expenses such as commissions, and (v) other expenses reasonably related to the purchase, sale or transmittal of Investment Account assets, provided that the Advisor shall be responsible for research fees and expenses. The Client is prohibited from advancing funds to the Advisor except to pay for services defined in this Agreement.

(c) Sub-advisory management or performance fees (“Sub-advisor Fees”), if any, will be borne by the Client and/or the affected Affiliated Companies, as appropriate, provided that said fees have been approved in advance by the Client and/or the affected Affiliated Company. No Management Fee shall accrue on any assets with respect to which Sub-advisor Fees are paid. At the Advisor’s discretion, Sub-advisor Fees may be structured to be paid directly to the sub-advisor by the Client or Affiliated Companies or be paid by the Advisor and reimbursed by the Client or Affiliated Companies without any markup. Any Management Fees incurred in connection with transactions conducted by the Advisor with regard to interests in Funds will be borne by the Client or the affected Affiliated Companies.

10. Confidential Relationship. All information and advice furnished by any party to another party pursuant to this Agreement shall be treated by the receiving party as confidential and shall not be disclosed to third-parties except as required by law.

11. Assignment. This Agreement may not be assigned (within the meaning of the Advisers Act) by any party without the written consent of the other party, and any assignment without such consent shall automatically cause the termination hereof.

12. Directions to the Advisor. All directions by or on behalf of the Client or an Affiliated Company to the Advisor shall be in writing and may be delivered in any manner permitted by Section 16. The Advisor (i) shall be fully protected in relying upon any such writing that the Advisor believes to be genuine and to be signed or presented or sent by the proper person or persons (ii) shall be under no duty to make any investigation or inquiry as to any statement contained therein and (iii) may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

13. Services to Other Clients. It is understood that the Advisor acts as investment advisor to other clients and may give advice and take action with respect to such clients that differs from the advice given or the action taken with respect to the Investment Account. Nothing in this Agreement shall restrict the right of the Advisor, its members, managers,

officers, employees or affiliates to perform investment management or advisory services for any other person or entity, and the performance of such service for others shall not be deemed to violate or give rise to any duty or obligation to the Client and/or the Affiliated Companies.

14. Investment by the Advisor for Its Own Account. Nothing in this Agreement shall limit or restrict the Advisor or any of its members, managers, officers, employees or affiliates from buying, selling or trading any securities for its or their own account or accounts. The Client and each Affiliated Company acknowledges that the Advisor and its members, managers, officers employees, affiliates and other clients may at any time have, acquire, increase, decrease or dispose of securities which are at or about the same time acquired or disposed of for the account of the Client or an Affiliated Company. The Advisor shall have no obligation to purchase or sell for the Investment Account or to recommend for purchase or sale by the Investment Account any security that the Advisor or its members, managers, officers, employees or affiliates may purchase or sell for itself or themselves or for any other client.

15. Proxies. Subject to any other written instructions of the Client or any Affiliated Company, the Advisor is hereby appointed as the agent and attorney-in-fact of the Client and each Affiliated Company in its discretion to vote, convert or tender in an exchange or tender offer any securities in the Investment Account, to execute proxies, waivers, consents and other instruments with respect to such securities, to endorse, transfer or deliver such securities and to participate in or consent to any plan of reorganization, merger, combination, consolidation, liquidation or similar plan with reference to such securities. The Advisor shall not incur any liability to the Client or any Company Affiliate by reason of any exercise of, or failure to exercise, any such discretion.

16. Notices. All notices and instructions with respect to securities transactions or any other matters contemplated by this Agreement shall be deemed duly given when actually received by the intended party in writing, via facsimile, or e-mail or by first-class mail to the following addresses: (a) if to the Advisor, at its address set forth above, Attention Chief Financial Officer, if by facsimile to 203.458.0754 and if by e-mail, mplourde@whitemountainsadvisors.com or (b) if to the Client or any Affiliated Company, at its address set forth above, attention Chief Financial Officer, if by facsimile to 888.340.6383, and if by email, pmcdonough@onebeacon.com. A copy of any notice sent to the Client pertaining to the amendment or termination of this Agreement shall be sent to 2020 Robert-Bourassa Boulevard, 6th floor, Montreal, Quebec, Canada, H3A 2A5, Attention: Frédéric Cotnoir, Senior Vice President, Legal and Corporate Services, if by facsimile to 514-842-6958 and if by e-mail, frederic.cotnoir@intact.net. Any of the Advisor, the Client or an Affiliated Company may change its physical address, facsimile number or e-mail address or specify a different manner of addressing itself by giving notice of such change in writing to the other party.

17. Joining and Severing Affiliated Companies. From time to time while this Agreement remains in effect, the Client may cause any other of its affiliates to become an Affiliated Company hereunder by executing a written agreement among the Client, the Advisor and such affiliate in a form reasonably acceptable to each of them, after which the

affiliate shall, for all purposes, be treated as an “Affiliated Company” hereunder, including, without limitation, granting the authorities, making the representations and warranties and accepting the obligations of an Affiliated Company in this Agreement. From time to time, the Client and/or the Advisor may sever any Affiliated Company from this Agreement by executing a written agreement among the Client, the Advisor and such Affiliated Company in a form reasonably acceptable to each of them, after which the Affiliated Company shall no longer be treated as being party to this Agreement. The Advisor will periodically update **Schedule B** to reflect the addition or removal of Affiliated Companies.

18. Entire Agreement, Amendment. This Agreement sets forth the entire agreement of the parties with respect to management of the Investment Account, supersedes any previous Investment Management Agreement between the Advisor and the Client or any Affiliated Company and shall not be amended except by an instrument in writing signed by the parties hereto.

19. Arbitration. Any controversy or claim arising out of or relating to this Agreement or the breach of the same, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. All arbitration expenses shall be borne equally by the Advisor, on the one hand, and the Client and any affected Affiliated Company, on the other hand. Any arbitration proceeding arising under this Agreement will be conducted in the County of New York in the State of New York or such other location as the parties mutually agree.

20. Termination. This Agreement shall terminate in its entirety on January 31, 2018 or earlier by the Client upon thirty (30) days’ prior written notice to the Advisor, provided that the Client shall honor any trades executed but not settled before the date of any such termination. Upon termination of this Agreement, (i) any accrued and unpaid Management Fee hereunder, (ii) accrued reimbursable expenses and (iii) any reasonable additional expenses incurred in closing out the Account shall be paid by the Client or the relevant Affiliated Company to the Advisor. Termination of this Agreement will not affect any accrued rights, indemnities, existing commitments or any contractual provisions intended to survive termination. The Advisor may direct the custodian to retain in the Investment Account to settle committed transactions.

21. Receivership. If an Affiliated Company is placed in receivership under a state’s receivership law: (i) the rights of the Affiliated Company under the agreement extend to the receiver or the chief state insurance department official; and (ii) the books and records shall be subject to examination of the receiver or the chief state insurance department official immediately upon the receiver or the chief state insurance department official’s request. The Advisor does not have an automatic right to terminate the agreement if an Affiliated Company is placed in receivership under a state’s receivership law. The Advisor will continue to maintain systems, programs, or other infrastructure notwithstanding a seizure by the chief state insurance department official under a state’s receivership law and shall make them available to the receiver for as long as the Advisor continues to receive timely payment for the services rendered.

22. Severability. If any provision of this Agreement (or any portion thereof) or the application of any such provision (or any portion thereof) to any person or circumstance shall be held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision hereof (or the remaining portion thereof) of the application of such provision to any other persons or circumstances.

23. Governing Law. To the extent that the interpretation or effect of this Agreement shall depend on state law, this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

24. Effective Date. This Agreement shall become effective on the first date written above.

25. Receipt of Disclosure Statement. The Client and each Affiliated Company acknowledges receipt of a copy of Part II of the Advisor's Form ADV in compliance with Rule 204-3(b) under the Advisers Act, more than 48 hours prior to the date of execution of this Agreement. The Advisor shall annually and without charge, upon request by the Client, deliver to the Client the current version of such form or a written document containing the information then required to be contained in such form.

26. Counterparts. This Agreement may be executed in two counterparts, each one of which shall be deemed to be an original.

IN WITNESS HEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the date first written above.

ADVISOR:

WHITE MOUNTAINS ADVISORS LLC

By: /s/ Mark J. Plourde

Print: Mark J. Plourde

Title: Executive Vice President & CFO

CLIENT:

ONEBEACON INSURANCE GROUP, LTD.

By: /s/ T. Michael Miller

Print: T. Michael Miller

Title: President & CEO

AFFILIATED COMPANIES:

MILL SHARES HOLDINGS (BERMUDA) LTD.

By: /s/ Susie Tindall
Print: Susie Tindall
Title: Assistant Secretary

ONEBEACON INSURANCE GROUP LLC

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

ONEBEACON U.S. ENTERPRISES HOLDINGS, INC.

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

ONEBEACON U.S. FINANCIAL SERVICES, INC.

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

ONEBEACON U.S. HOLDINGS, INC.

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

ATLANTIC SPECIALTY INSURANCE COMPANY

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

HOMELAND INSURANCE COMPANY OF DELAWARE

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

HOMELAND INSURANCE COMPANY OF NEW YORK

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

OBI NATIONAL INSURANCE COMPANY

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

OBI AMERICA INSURANCE COMPANY

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

ONEBEACON SELECT INSURANCE COMPANY

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

ONEBEACON SPECIALTY INSURANCE COMPANY

By: /s/ T. Michael Miller
Print: T. Michael Miller
Title: President & CEO

SPLIT ROCK INSURANCE, LTD.

By: /s/ Susie Tindall
Print: Susie Tindall
Title: Secretary

SCHEDULE A

FEE SCHEDULE

1. Investment Account

<u>Assets Under Management</u>	<u>Annual Fee</u>	<u>Quarterly Fee</u>
Investment Grade Fixed Income:		
Up to \$1 billion	10 bps	2.5 bps
\$1 billion - \$2 billion	8.5 bps	2.125 bps
\$2 billion - \$5 billion	7.5 bps	1.875 bps
Greater than \$5 billion	2.5 bps	0.625 bps
Equities	100 bps	25 bps
Exchange Traded Funds (ETFs)	10 bps	2.5 bps
Hedge Funds	100 bps	25 bps
Private Equities:		
First 2 Years of Fund's Life (Committed)	100 bps	25 bps
Thereafter (Fair Value)	100 bps	25 bps
Affordable Housing Tax Credit Funds		
First Year of Fund's Life (Committed)	100 bps	25 bps
Thereafter (Fair Value)	10 bps	2.5 bps

2. **Treasury Management Services.** The Advisor will be paid a quarterly fee for the treasury management services computed at the annual rate of 1.75 basis points (0.0175%) of the aggregate value of the net assets of the Client's Investment Account.

SCHEDULE B

AFFILIATED COMPANIES

MILL SHARES HOLDINGS (BERMUDA) LTD.
ONEBEACON INSURANCE GROUP LLC
ONEBEACON U.S. ENTERPRISES HOLDINGS, INC.
ONEBEACON U.S. FINANCIAL SERVICES, INC.
ONEBEACON U.S. HOLDINGS, INC.
ATLANTIC SPECIALTY INSURANCE COMPANY
HOMELAND INSURANCE COMPANY OF DELAWARE
HOMELAND INSURANCE COMPANY OF NEW YORK
OBI NATIONAL INSURANCE COMPANY
OBI AMERICA INSURANCE COMPANY
ONEBEACON SELECT INSURANCE COMPANY
ONEBEACON SPECIALTY INSURANCE COMPANY
SPLIT ROCK INSURANCE, LTD.



CONTACT: Todd Pozefsky
(203) 458-5807

PRESS RELEASE

WHITE MOUNTAINS ANNOUNCES COMPLETION OF ONEBEACON MERGER WITH INTACT FINANCIAL

HAMILTON, Bermuda, September 28, 2017 -- White Mountains Insurance Group, Ltd. (NYSE: WTM) announced today the completion of the previously announced merger of OneBeacon Insurance Group, Ltd. (NYSE: OB) with a subsidiary of Intact Financial Corporation (TSX: IFC).

ADDITIONAL INFORMATION

White Mountains is a Bermuda-domiciled financial services holding company traded on the New York Stock Exchange and the Bermuda Stock Exchange under the symbol "WTM". Additional financial information and other items of interest are available at the Company's web site located at www.whitemountains.com.

WHITE MOUNTAINS INSURANCE GROUP, LTD.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

On September 28, 2017, OneBeacon Insurance Group, Ltd. (“OneBeacon”), a non-wholly owned subsidiary of White Mountains Insurance Group, Ltd. (“White Mountains”), completed its previously announced merger (the “Merger”) with a subsidiary of Intact Financial Corporation (“Intact”), pursuant to the terms of the Agreement and Plan of Merger, dated as of May 2, 2017 (the “Merger Agreement”), by and among OneBeacon, Intact, Intact Bermuda Holdings Ltd., a wholly owned subsidiary of Intact (“Holdco”) and Intact Acquisition Co. Ltd., a wholly owned subsidiary of Holdco. At the effective time of the Merger, each of the 71,754,738 Class B common shares of OneBeacon owned by Lone Tree Holdings Ltd. and Bridge Holdings (Bermuda) Ltd., each a wholly owned subsidiary of White Mountains, was automatically transferred to Holdco in exchange for the right to receive an amount in cash equal to \$18.10, without interest, for aggregate total proceeds of approximately \$1.3 billion. As of June 30, 2017, the transaction was estimated to result in a net gain of approximately \$528 million for White Mountains’s common shareholders.

The Unaudited Pro Forma Condensed Consolidated Financial Statements present pro forma adjustments that reflect the impact of the Merger. The Unaudited Pro Forma Condensed Consolidated Statements of Operations for the years ended December 31, 2016, 2015 and 2014 give effect to the Merger as if it occurred as of January 1, 2014. White Mountains has already reflected the removal of OneBeacon's results from continuing operations in its Quarterly Report on Form 10-Q for the period ended June 30, 2017. The Unaudited Pro Forma Condensed Consolidated Balance Sheet as of June 30, 2017 gives effect to the Merger as if it had been completed as of June 30, 2017. Such unaudited pro forma condensed consolidated financial information are not necessarily indicative of the operating results or financial position that actually would have been achieved if the Merger had been in effect as of the dates and for the periods indicated or that may be achieved in future periods, and should be read in conjunction with White Mountains’s historical financial statements.

The Unaudited Pro Forma Condensed Consolidated Financial Statements (i) are presented based on information currently available, (ii) are intended for informational purposes only and (iii) are not intended to reflect the results of operations or the financial position of White Mountains that would have resulted had the Merger been effective as of and during the periods presented or the results that may be obtained by White Mountains in the future. The Unaudited Pro Forma Condensed Consolidated Financial Statements as of and for the periods presented do not reflect future events that are not directly attributable to the Merger and that may occur after the Merger. Future results may vary significantly from the results reflected in the Unaudited Pro Forma Condensed Consolidated Financial Statements.

WHITE MOUNTAINS INSURANCE GROUP, LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions)
(Unaudited)

	As of June 30, 2017		
	Historical	Pro Forma Adjustments	Pro Forma
Assets			
Fixed maturity investments	\$ 1,566.9	\$ —	\$ 1,566.9
Short-term investments	71.6	—	71.6
Common equity securities	827.9	—	827.9
Other long-term investments	226.5	—	226.5
Total investments	<u>2,692.9</u>	<u>—</u>	<u>2,692.9</u>
Cash	53.3	1,298.8 ⁽¹⁾	1,352.1
Other assets	343.6	—	343.6
Assets held for sale	3,696.4	(3,696.4) ⁽²⁾	—
Total assets	<u>\$ 6,786.2</u>	<u>\$ (2,397.6)</u>	<u>\$ 4,388.6</u>
Liabilities			
Other liabilities	\$ 343.3	\$ —	\$ 343.3
Liabilities held for sale	2,678.8	(2,678.8) ⁽²⁾	—
Total liabilities	<u>3,022.1</u>	<u>(2,678.8)</u>	<u>343.3</u>
Equity			
White Mountains's common shareholders' equity			
White Mountains's common shares and paid-in surplus	815.1	—	815.1
Retained earnings	2,835.2	523.8 ⁽³⁾	3,359.0
Accumulated other comprehensive loss, after tax:			
Accumulated other comprehensive loss from net change in benefit plan assets and obligations	(3.0)	4.0 ⁽⁴⁾	1.0
Total White Mountains's common shareholders' equity	<u>3,647.3</u>	<u>527.8</u>	<u>4,175.1</u>
Non-controlling interests	116.8	(246.6) ⁽⁵⁾	(129.8)
Total equity	<u>3,764.1</u>	<u>281.2</u>	<u>4,045.3</u>
Total liabilities and equity	<u>\$ 6,786.2</u>	<u>\$ (2,397.6)</u>	<u>\$ 4,388.6</u>

⁽¹⁾ Amount represents the cash proceeds received upon closing of the Merger.

⁽²⁾ Amounts represent the removal of OneBeacon's assets and liabilities, which had been presented as held for sale in White Mountains's Quarterly Report on Form 10-Q for the period ended June 30, 2017.

⁽³⁾ Amount represents the net gain, after tax, recognized in net income as a result of the Merger.

⁽⁴⁾ Amount represents the reversal of other comprehensive loss for OneBeacon's net change in benefit plan assets and obligations, which was recognized as a result of the Merger.

⁽⁵⁾ Amount represents the removal of OneBeacon's non-controlling interests as a result of the Merger.

WHITE MOUNTAINS INSURANCE GROUP, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(millions, except per share amounts)
(Unaudited)

For the year ended December 31, 2016

	Historical	Pro Forma Adjustments ⁽¹⁾	Pro Forma
Revenues:			
Earned insurance premiums	\$ 1,114.0	\$ (1,100.6)	\$ 13.4
Net investment income	86.8	(54.7)	32.1
Net realized and unrealized investment gains (losses)	10.3	(37.7)	(27.4)
Advertising and commission revenues	126.9	—	126.9
Other revenue	22.7	(1.4)	21.3
Total revenues	1,360.7	(1,194.4)	166.3
Expenses:			
Loss and loss adjustment expenses	664.0	(656.0)	8.0
Insurance acquisition expenses	211.6	(206.0)	5.6
Other underwriting expenses	209.5	(209.0)	.5
Cost of sales	102.0	—	102.0
General and administrative expenses	197.9	(14.2)	183.7
Interest expense on debt	16.1	(13.1)	3.0
Total expenses	1,401.1	(1,098.3)	302.8
Pre-tax loss from continuing operations	(40.4)	(96.1)	(136.5)
Income tax benefit	45.4	(12.5)	32.9
Net income (loss) from continuing operations	\$ 5.0	\$ (108.6)	\$ (103.6)
Net (income) loss attributable to non-controlling interests	(7.3)	26.9	19.6
Net loss from continuing operations attributable to White Mountains's common shareholders	\$ (2.3)	\$ (81.7)	\$ (84.0)
Basic and diluted loss per share from continuing operations attributable to White Mountains's common shareholders	\$ (.47)		\$ (16.76)

⁽¹⁾ Pro Forma Adjustments represent the removal of OneBeacon's results of operations.

WHITE MOUNTAINS INSURANCE GROUP, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (CONTINUED)
(millions, except per share amounts)
(Unaudited)

	For the year ended December 31, 2015		
	Historical	Pro Forma Adjustments ⁽¹⁾	Pro Forma
Revenues:			
Earned insurance premiums	\$ 1,188.2	\$ (1,176.2)	\$ 12.0
Net investment income	60.8	(49.9)	10.9
Net realized and unrealized investment gains	225.4	35.1	260.5
Advertising and commission revenues	110.1	—	110.1
Other revenue	37.2	4.6	41.8
Total revenues	1,621.7	(1,186.4)	435.3
Expenses:			
Loss and loss adjustment expenses	708.9	(700.7)	8.2
Insurance acquisition expenses	220.1	(213.8)	6.3
Other underwriting expenses	218.6	(218.2)	.4
Cost of sales	93.6	—	93.6
General and administrative expenses	208.6	(15.4)	193.2
Interest expense on debt	14.6	(13.0)	1.6
Total expenses	1,464.4	(1,161.1)	303.3
Pre-tax income from continuing operations	157.3	(25.3)	132.0
Income tax benefit (expense)	.2	(12.9)	(12.7)
Net income from continuing operations	\$ 157.5	\$ (38.2)	\$ 119.3
Equity in earnings of unconsolidated affiliates, net of tax	25.1	—	25.1
Net loss attributable to non-controlling interests	18.1	10.2	28.3
Net income from continuing operations attributable to White Mountains's common shareholders	\$ 200.7	\$ (28.0)	\$ 172.7
Basic and diluted earnings per share from continuing operations attributable to White Mountains's common shareholders	\$ 34.12		\$ 29.38

⁽¹⁾ Pro Forma Adjustments represent the removal of OneBeacon's results of operations.

WHITE MOUNTAINS INSURANCE GROUP, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (CONTINUED)
(millions, except per share amounts)
(Unaudited)

	For the year ended December 31, 2014		
	Historical	Pro Forma Adjustments ⁽¹⁾	Pro Forma
Revenues:			
Earned insurance premiums	\$ 1,185.0	\$ (1,177.1)	\$ 7.9
Net investment income	59.5	(47.3)	12.2
Net realized and unrealized investment gains	78.5	(40.4)	38.1
Advertising and commission revenues	65.7	—	65.7
Other revenue	22.4	(1.9)	20.5
Total revenues	1,411.1	(1,266.7)	144.4
Expenses:			
Loss and loss adjustment expenses	824.0	(815.1)	8.9
Insurance acquisition expenses	206.2	(203.3)	2.9
Other underwriting expenses	179.6	(179.2)	.4
Cost of sales	57.8	—	57.8
General and administrative expenses	158.7	(13.8)	144.9
Interest expense on debt	14.2	(13.0)	1.2
Total expenses	1,440.5	(1,224.4)	216.1
Pre-tax loss from continuing operations	(29.4)	(42.3)	(71.7)
Income tax benefit	14.8	(12.3)	2.5
Net loss from continuing operations	\$ (14.6)	\$ (54.6)	\$ (69.2)
Equity in earnings of unconsolidated affiliates, net of tax	45.6	—	45.6
Net loss attributable to non-controlling interests	22.2	9.4	31.6
Net income from continuing operations attributable to White Mountains's common shareholders	\$ 53.2	\$ (45.2)	\$ 8.0
Basic and diluted earnings per share from continuing operations attributable to White Mountains's common shareholders	\$ 8.70		\$ 1.30

⁽¹⁾ Pro Forma Adjustments represent the removal of OneBeacon's results of operations.