

**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

February 22, 2006

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.)

**Harborside Financial Center, Plaza 5
Jersey City, New Jersey 07311-1114**

(Address of principal executive offices)

(201) 631-3300

(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))

ITEM 1.01 Entry into a Material Definitive Agreement.

Compensation Philosophy

The Company's executive compensation policies are designed with one goal in mind, maximization of shareholder value over long periods of time. The Compensation Committee believes that this goal is best pursued by utilizing a pay-for-performance program that serves to attract and retain superior executive talent and provide management with performance-based incentives to maximize shareholder value. Through this compensation program, the Compensation Committee seeks to maximize shareholder value by aligning closely the financial interests of management with those of its shareholders.

Compensation of White Mountains' senior management team, including its named executive officers, consists primarily of three components: base salary, annual bonus and long-term incentive awards. Base salaries have been capped at \$400,000. Annual bonus targets for all senior executives are 50% of base salary. Long-term incentives for senior executives typically are comprised of performance shares and/or units. Under these instruments, payouts are explicitly tied to White Mountains' (or its subsidiaries') performance over a three-year period and are highly variable (the actual number of shares/units paid out at the end of the cycle will range from 0% to 200% of target depending on performance against established goals).

Annual Bonus Programs

On February 22, 2006, the Compensation Committee (the "Committee") of the Board of Directors of the Company approved annual bonuses to be paid to each of the Company's named executive officers under the Company's annual bonus programs. The annual bonuses approved with respect to 2005 are as follows: Steven E. Fass, \$0; T. Michael Miller, \$200,000; David T. Foy, \$200,000; Gary C. Tolman, \$190,000; and Charles B. Chokel, \$0.

There were no material changes to the Company's annual bonus programs for 2006.

Long-Term Incentive Awards

2003-2005 Performance Cycle Award Payouts. On February 22, 2006, the Committee approved performance share amounts to be paid to certain of the Company's named executive officers for the 2003-2005 performance share cycle. From January 1, 2003 to December 31, 2005, including dividends returned, the Company's tangible GAAP book value increased by approximately \$1.0 billion and its market capitalization increased by approximately \$2.6 billion, a solid result for the Company's owners. The Committee determined that the performance versus the target established at the beginning of 2003 yielded a

