

SCHEDULE 13D

Under the Securities Exchange Act of 1934

-----  
(Amendment No. 8)

Financial Security Assurance Holdings Ltd.

-----  
(Name of Issuer)

Common Stock, Par Value \$.01 Per Share

-----  
(Title of Class of Securities)

31769P 10 0

-----  
(CUSIP Number)

Michael S. Paquette  
Senior Vice President and Controller  
White Mountains Insurance Group, Ltd.  
80 South Main Street  
Hanover, NH 03755  
(603) 640-2205

-----  
(Name, Address and Telephone Number of Person Authorized  
to Receive Notices and Communications)

December 1, 1999

-----  
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box \_\_\_.

Check the following box if a fee is being paid with this statement \_\_\_. (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class. (See Rule 13d-7.)

NOTE: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

-----  
(1) Name of Reporting Person. S.S. or I.R.S. Identification No. of Above Person  
White Mountains Insurance Group, Ltd. ("WMIG") 94-2708455  
(formerly White Mountains Insurance Group, Inc.)  
(formerly Fund American Enterprises Holdings, Inc.)  
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(2) Check the Appropriate Box if a Member (a) \_\_\_\_\_ of a Group (See Instructions)  
\_\_\_\_\_(b)\_\_\_\_\_ / / / /  
-----

(3) (SEC Use Only)  
-----

(4) Source of Funds (See Instructions)  
WC  
-----

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)  
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(6) Citizenship or Place of Organization Bermuda  
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Number of Shares Beneficially Owned by Each Reporting Person With	(7) Sole Voting Power	0
	(8) Shared Voting Power	8,943,316*
	(9) Sole Dispositive Power	0
	(10) Shared Dispositive Power	8,943,316*

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(11) Aggregate Amount Beneficially Owned by Each Reporting Person  
8,943,316 shares\*  
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(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)  
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(13) Percent of Class Represented by Amount in Row (11)  
Approximately 25.5%  
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(14) Type of Reporting Person (See Instructions) HC, CO  
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\* The reporting person owns no shares of record and beneficially owns (through wholly-owned affiliates) 6,943,316 shares of common stock ("Common Stock") of Financial Security Assurance Holdings Ltd. ("FSA"). The amounts shown in rows (8), (10), (11) and (13) also include 2,000,000 shares of Series A Convertible Redeemable Preferred Stock of FSA ("Preferred Stock"), convertible at the option of the holder thereof into Common Stock, as further described herein.

(1) Name of Reporting Person. S.S. or I.R.S. Identification No. of Above Person  
White Mountains Properties (Barbados) SRL ("WMP") 94-2708455

(2) Check the Appropriate Box if a Member (a) \_\_\_\_\_  
of a Group (See Instructions)  
\_\_\_\_\_ (b) \_\_\_\_\_ / / / /

(3) (SEC Use Only)

(4) Source of Funds (See Instructions)  
WC

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

(6) Citizenship or Place of Organization Barbados

Number of Shares Beneficially Owned by Each Reporting Person With	(7) Sole Voting Power 922,509
	(8) Shared Voting Power 0
	(9) Sole Dispositive Power 922,509
	(10) Shared Dispositive Power 0

(11) Aggregate Amount Beneficially Owned by Each Reporting Person  
922,509 shares

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

(13) Percent of Class Represented by Amount in Row (11)  
Approximately 2.6%\*

(14) Type of Reporting Person (See Instructions) HC, CO

\* Based on the number of shares of Common Stock outstanding and also includes 2,000,000 shares of Preferred Stock, convertible at the option of the holder thereof into Common Stock, as further described herein.

-----  
(1) Name of Reporting Person. S.S. or I.R.S. Identification No. of Above Person  
White Mountains Holdings, Inc. ("WMH") 51-0328932  
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(2) Check the Appropriate Box if a Member (a) \_\_\_\_\_ of a Group (See Instructions)  
\_\_\_\_\_(b)\_\_\_\_\_ / / / /  
-----

(3) (SEC Use Only)  
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(4) Source of Funds (See Instructions)  
WC  
-----

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)  
-----

(6) Citizenship or Place of Organization Delaware  
-----

Number of Shares  
Beneficially Owned  
by Each Reporting  
Person With

(7) Sole Voting Power  
0  
-----

(8) Shared Voting Power  
8,020,807\*  
-----

(9) Sole Dispositive Power  
0  
-----

(10) Shared Dispositive Power  
8,020,807\*  
-----

(11) Aggregate Amount Beneficially Owned by Each Reporting Person  
8,020,807 shares\*  
-----

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)  
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(13) Percent of Class Represented by Amount in Row (11)  
Approximately 22.9%  
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(14) Type of Reporting Person (See Instructions) HC, CO  
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\* The reporting person owns no shares of record and beneficially owns (through wholly-owned affiliates) 6,020,807 shares of Common Stock. The amounts shown in rows (8), (10), (11) and (13) also include 2,000,000 shares of Preferred Stock, convertible at the option of the holder thereof into Common Stock, in each case as further described herein.

(1) Name of Reporting Person. S.S. or I.R.S. Identification No. of Above Person  
White Mountains Services Corporation ("WMS") 38-2011419  
(formerly Source One Mortgage Services Corporation)

(2) Check the Appropriate Box if a Member (a) \_\_\_\_\_ of a Group (See Instructions)  
\_\_\_\_\_ (b) \_\_\_\_\_ / / / /

(3) (SEC Use Only)

(4) Source of Funds (See Instructions)  
WC

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

(6) Citizenship or Place of Organization Delaware

Number of Shares Beneficially Owned by Each Reporting Person With	(7) Sole Voting Power	8,020,807*
	(8) Shared Voting Power	0
	(9) Sole Dispositive Power	8,020,807*
	(10) Shared Dispositive Power	0

(11) Aggregate Amount Beneficially Owned by Each Reporting Person  
8,020,807 shares\*

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

(13) Percent of Class Represented by Amount in Row (11)  
Approximately 22.9%

(14) Type of Reporting Person (See Instructions) CO

\* The reporting person directly owns 6,020,807 shares of Common Stock of record. The amounts shown in rows (7), (9), (11) and (13) also include 2,000,000 shares of Preferred Stock, convertible at the option of the holder thereof into Common Stock, in each case as further described herein.

ONLY ITEMS REPORTED IN THIS AMENDMENT NO. 8 TO SCHEDULE 13D ARE AMENDED FROM THE FILING ON SCHEDULE 13D DATED MAY 13, 1994, AS AMENDED BY AMENDMENT NO. 1 DATED SEPTEMBER 2, 1994, AMENDMENT NO. 2 DATED SEPTEMBER 14, 1994, AMENDMENT NO. 3 DATED JANUARY 17, 1995, AMENDMENT NO. 4 DATED NOVEMBER 13, 1995, AMENDMENT NO. 5 DATED JUNE 17, 1996, AMENDMENT NO. 6 DATED MAY 12, 1999 AND AMENDMENT NO. 7 DATED SEPTEMBER 2, 1999 (AS SO AMENDED, THE "SCHEDULE 13D"), FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BY WMIG, WITH RESPECT TO THE COMMON STOCK, PAR VALUE \$.01 PER SHARE, OF FSA, A NEW YORK CORPORATION. ALL OTHER ITEMS REMAIN UNCHANGED. UNLESS OTHERWISE SPECIFIED, ALL DEFINED TERMS USED HEREIN HAVE THE MEANING PREVIOUSLY ASCRIBED TO THEM IN THE SCHEDULE 13D.

ITEM 2. IDENTITY AND BACKGROUND.

The persons filing this Amendment No. 8 are WMIG (a Bermuda corporation), WMP (a Barbados Corporation), WMH (a Delaware corporation) and WMSC (a Delaware corporation), collectively referred to herein as the "Reporting Persons". WMP, WMH and WMSC are each direct or indirect wholly-owned subsidiaries of WMIG.

WMIG, WMP, WMH and WMSC are financial services holding companies. The principal business and office address of WMIG and WMH is 80 South Main Street, Hanover, New Hampshire 03755-2053. The principal business and office address of WMP is The Financial Services Centre, Bishop's Hill Court, St. Michael, Barbados, West Indies. The principal business and office address of WMSC is P.O. Box 2005, Farmington Hills, MI 48333-2005.

Information with respect to each executive officer and director of each of the Reporting Persons, including each such officer's and director's name, residence or business address, present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted, and citizenship, is set forth in Schedule I attached to this Amendment No. 8, which Schedule I is incorporated herein by reference.

None of the Reporting Persons nor, to the knowledge of the Reporting Persons, any executive officer or director of any of the Reporting Persons has, during the last five years, (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceedings was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

On December 1, 1999, WMP purchased 922,509 shares of Common Stock from FSA at a price of \$54.20 per share. The transaction was part of a private offering by FSA pursuant to which it sold a total of \$140.0 million of Common Stock to WMP, XL Capital Ltd, The Tokio Marine and Fire Insurance Co., Ltd and an FSA management group.

ITEM 4. PURPOSE OF TRANSACTION.

The Common Stock was purchased by WMP for investment purposes at a cash purchase price of \$54.20 per share. The cash purchase price per share was determined as 97.5% of the average of the high sale price and the low sale price of Common Stock on the New York Stock Exchange on October 29, 1999, the day WMP agreed to purchase the Common Stock from FSA.

Except as set forth above, neither WMIG, WMP, WMH nor WMSC has any current plans or proposals which relate to or would result in: (a) the acquisition by any person of additional securities of the Issuer, or the disposition of securities of the Issuer; (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries; (c) a sale or transfer of a material amount of assets of the Issuer or any of its subsidiaries; (d) any change in the present board or directors or management of the Issuer, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board; (e) any material change in the present capitalization or dividend policy of the Issuer; (f) any other material change in the Issuer's business or corporate structure; (g) changes in the Issuer's charter, by-laws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Issuer by any person; (h) causing a class of securities of the Issuer to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; (i) a class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934; or (j) any action similar to any of those enumerated above.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

- (a) The Issuer has informed the Reporting Persons that 33,017,995 shares of Common Stock were outstanding on December 1, 1999. After giving effect to the conversion in full of the Preferred Stock, 35,017,995 shares of Common Stock would have been outstanding on such date. As of the date of this Amendment No. 8, WMIG and WMH owned no Common Stock of record and beneficially owned, through WMSC, 6,020,807 shares of Common Stock and has the right to acquire beneficial ownership 2,000,000 Common Stock upon conversion of the Preferred Stock. Additionally, WMIG owned, through WMP, 922,059 shares of Common Stock. Accordingly, as of the date hereof, WMIG beneficially owned an aggregate of 8,943,316 shares of Common Stock.



As of the date of this Amendment No. 8, WMSC has the right to acquire 2,000,000 shares of Common Stock pursuant to the conversion of the Preferred Stock. Assuming that the Preferred Stock is converted in full, (i) such 8,943,316 shares beneficially owned by the Reporting Persons represent approximately 25.5% of the Issuer's Common Stock which would then be outstanding. As of the date of this Amendment, the following persons listed on Schedule I to the Schedule 13D beneficially own the following number of shares of Common Stock: K. Thomas Kemp - 1,600 shares and Terry L. Baxter - 1,000 shares. Such numbers of shares each represent less than 1% of the outstanding shares of Common Stock. Except as set forth above, neither WMIG nor, to its knowledge, any person listed on Schedule I to the Schedule 13D beneficially owns any shares of Common Stock.

- (b) WMIG shares the power to vote or to direct the vote of, and shares the power to dispose or to direct the disposition of the 8,943,316 shares of Common Stock specified in paragraph (a) immediately above with the other Reporting Persons, in each case to the extent that any such other Reporting Person also has beneficial ownership of any such shares of Common Stock as described in paragraph (a) immediately above. WMH shares the power to vote or to direct the vote of, and shares the power to dispose or to direct the disposition of the 8,020,807 shares of Common Stock specified in paragraph (a).
- (c) On December 1, 1999, WMP purchased 922,509 shares of Common Stock from FSA at a price of \$54.20 per share. There have been no other transactions by WMIG, WMP, WMH or WMSC, or to the knowledge of WMIG, WMP, WMH or WMSC, any of the persons listed on Schedule I attached hereto, in Common Stock effected during the past 60 days.
- (d) None
- (e) Not Applicable

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

Pursuant to a Purchase Agreement dated October 29, 1999 (enclosed herein), all Common Stock acquired by WMP on December 2, 1999 will be subject to demand registration rights under same terms and conditions (on an aggregate basis) as the shares of Common Stock currently owned by WMIG and its affiliates.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

Exhibit 99.L - Purchase Agreement dated October 29, 1999 among FSA and WMIG.

SIGNATURES

After reasonable inquiry and to the best of the knowledge and belief of the undersigned, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: December 9, 1999

WHITE MOUNTAINS INSURANCE GROUP, LTD.

BY: /s/

-----  
Name: Michael S. Paquette  
Title: Senior Vice President and Controller

WHITE MOUNTAINS PROPERTIES (BARBADOS) SRL

BY: /s/

-----  
Name: Dennis P. Beaulieu  
Title: Secretary

WHITE MOUNTAINS HOLDINGS, INC.

BY: /s/

-----  
Name: David G. Staples  
Title: President

WHITE MOUNTAINS SERVICES CORPORATION

BY: /s/

-----  
Name: Michael S. Paquette  
Title: President

SCHEDULE I TO SCHEDULE 13D

Following is a list of the directors and executive officers of White Mountains Insurance Group, Ltd. ("WMIG"), White Mountains Properties (Barbados) SRL ("WMP"), ("WMH") White Mountains Holdings, Inc. ("WMH"), and White Mountains Services Corporation ("WMSC") setting forth the business address and present principal occupation or employment (and the name, principal business and address of any corporation or organization in which such employment is conducted) of each such person. Each such person is a citizen of the USA except for Messrs. Douglas and Thomson who are citizens of Barbados, West Indies.

Name and Business Address -----	Office -----	Present Principal Occupation or Employment -----
WMIG		
Raymond Barrette White Mountains Insurance Group, Ltd. 80 South Main Street Hanover, NH 03755	Executive Vice President and Chief Financial Officer	Executive Vice President and Chief Financial Officer
Terry L. Baxter White Mountains Insurance Group, Ltd. 80 South Main Street Hanover, NH 03755	Executive Vice President and Director	Executive Vice President and Director
John J. Byrne White Mountains Insurance Group, Ltd. 80 South Main Street Hanover, NH 03755	Chairman of the Board	Chairman of the Board
Patrick M. Byrne 35 Rope Ferry Road Hanover NH, 03755	Director	self employed
Reid T. Campbell White Mountains Insurance Group, Ltd. 80 South Main Street Hanover, NH 03755	Vice President - Finance	Vice President - Finance
Howard L. Clark, Jr. Lehman Brothers Inc. American Express Tower New York, NY 10128	Director	Vice Chairman of Lehman Brothers Inc.
Robert P. Cochran Financial Security Assurance Holdings Ltd. 350 Park Avenue New York, NY 10022	Director	Chairman, President & Chief Executive Officer of Financial Security Assurance Holdings Ltd.

SCHEDULE I TO SCHEDULE 13D (CONT.)

Name and Business Address -----	Office -----	Present Principal Occupation or Employment -----
George J. Gillespie, III Cravath, Swaine & Moore 825 Eighth Avenue New York, NY 10019	Director	Partner in Cravath, Swaine & Moore
John D. Gillespie White Mountains Holdings, Inc. 80 South Main Street Hanover, NH 03755	Director	Self Employed
K. Thomas Kemp White Mountains Insurance Group, Ltd. 80 South Main Street Hanover, NH 03755	President, Chief Executive Officer & Director	President and Chief Executive Officer
Gordon S. Macklin 8212 Burning Tree Road Bethesda, MD 20817	Director	Retired
Kernan V. Oberting White Mountains Insurance Group, Ltd. 80 South Main Street Hanover, NH 03755	Vice President	Vice President
Frank A. Olson The Hertz Corporation 225 Brae Boulevard Park Ridge, NJ 07656	Director	Chairman of the Board of The Hertz Corporation
Michael S. Paquette White Mountains Insurance Group, Ltd. 80 South Main Street Hanover, NH 03755	Sr. Vice President & Controller	Sr. Vice President & Controller
David G. Staples White Mountains Insurance Group, Ltd. 80 South Main Street Hanover, NH 03755	Vice President-Taxation	Vice President-Taxation
WMP		
K. Thomas Kemp (see above)	Director	(see above)
William P. A. Douglas The Financial Services Centre Bishop's Court Hill St. Michael, Barbados, West Indies	Director	Director

SCHEDULE I TO SCHEDULE 13D (CONT.)

Name and Business Address -----	Office -----	Present Principal Occupation or Employment -----
Kenneth F. G. Thomson The Financial Services Centre Bishop's Court Hill St. Michael, Barbados, West Indies	Director	Director
WMH		
Terry L. Baxter (see above)	Director	(see above)
Dennis P. Beaulieu (see above)	Secretary	(see above)
K. Thomas Kemp (see above)	Director	(see above)
Kernan V. Oberting (see above)	Vice President	(see above)
J. Brian Palmer White Mountains Holdings, Inc. 80 South Main Street Hanover, NH 03755	Controller	Controller
David G. Staples (see above)	President	(see above)
WMSC		
Michael C. Allemang Source One Mortgage Services Corporation PO Box 2005 Farmington Hills, MI 48333-2005	Executive Vice President, Chief Financial Officer, Secretary and Director	Executive Vice President, Chief Financial Officer, Secretary and Director
Raymond Barrette (see above)	Director	(see above)
Terry L. Baxter (see above)	Chairman	(see above)
Michael S. Paquette (see above)	President and Director	(see above)
David G. Staples	Vice President	(see above)

October 29, 1999

White Mountains Insurance Group Ltd.  
Clarendon House  
2 Church Street  
Hamilton, Bermuda  
Attn: Mr. K. Thomas Kemp  
President and Chief Executive Officer

Re: Sale of U.S. \$50,000,000 of Common Stock of Financial Security Assurance Holdings Ltd.

Financial Security Assurance Holdings Ltd., a New York corporation ("FSA"), and White Mountains Insurance Group Ltd, a Bermuda corporation ("WMIG"), hereby agree that, upon the terms and subject to the conditions set forth below, FSA shall sell to WMIG and WMIG shall purchase from FSA, shares of FSA Common Stock, par value \$.01 per share ("FSA Common Stock"), for U.S.\$50,000,000 (the "Aggregate Purchase Price").

1. NUMBER OF SHARES.

The purchase price per share (the "Per Share Price") shall equal 97.5% of the average of the high sale price and the low sale price of FSA common stock on the New York Stock Exchange on the date hereof, resulting in a Per Share Price of \$54.20. Accordingly, the number of shares of FSA Common Stock to be sold by FSA to WMIG hereunder (the "Shares") shall equal the quotient of the Aggregate Purchase Price divided by the Per Share Price, being 922,509 shares. At least 750,000 of the Shares will be registered under FSA's current shelf registration statement and will not bear restricted legends. All the Shares acquired by WMIG will be subject to demand registration rights under same terms and conditions (on an aggregate basis) as the shares of FSA common stock currently owned by WMIG and its affiliates.

2. CONDITIONS TO PARTIES OBLIGATIONS HEREUNDER.

The sole conditions (the "Closing Conditions") to the performance by FSA and WMIG of their obligations hereunder are (a) approval by the Board of Directors of WMIG of this Agreement and the transaction contemplated hereby at its meeting to be held on November 1, 1999 or as promptly thereafter as practicable (the "WMIG Board Approval Condition"); and (b) if applicable, (i) expiration or earlier termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder (the "HSR Act"), and (ii) confirmation that the requirements of the New York Stock Exchange applicable to the sale of Shares contemplated hereby will not require FSA shareholder approval (the "NYSE Condition"). FSA and WMIG shall endeavor to (i) promptly make any filing required under the HSR Act and use commercially reasonable efforts to obtain expiration or earlier termination of the waiting period under the HSR Act (the "HSR Condition") and satisfaction of the NYSE Condition, and (ii) consummate, and shall use their best efforts to consummate, the closing hereunder. In furtherance of the foregoing, WMIG agrees to schedule a Board meeting on November 1, 1999 or as promptly thereafter as practicable at which the Board of WMIG shall consider this Agreement and the transaction contemplated hereby. If the WMIG Board shall not approve this Agreement and the transaction contemplated hereby at such meeting, then this Agreement shall terminate.

### 3. CLOSING DATE.

The closing hereunder shall occur on a date (the "Closing Date") determined by FSA on which commercial banks are open for business in New York following the date on which the Closing Conditions shall have been satisfied. FSA shall provide WMIG at least 5 business days' notice of the Closing Date.

### 4. ANTI-DILUTION PROTECTION.

Until the earlier of May 13, 2004 and the date at which WMIG shall cease to own all the outstanding shares of White Mountain Services Corporation, FSA agrees that, immediately prior to any issuance of shares by FSA that would otherwise dilute WMIG's ownership from more than 25% to less than 25% of the outstanding common stock of FSA, FSA will offer WMIG the ability (on at least 5 business days notice) to retain WMIG's fully diluted ownership in the common stock of FSA at a level equal to or greater than 25% by selling FSA common stock to WMIG for a purchase price per share equal to the price per share of the diluting event as determined in good faith by FSA (e.g. the price to public in the case of a public offering and the closing price per share on the NYSE in the case of any shares issued in connection with any FSA benefit plan); provided, however, that (a) any such purchase by WMIG shall comply with law and any requirements or constraints applicable to FSA, including the requirements of (i) any securities rating agency rating FSA or any FSA subsidiary and (ii) any securities exchange on which shares of FSA are listed and (b) FSA shall not be required to delay consummation of the diluting event in order to close the purchase by WMIG if such delay would be adverse to the interests of FSA as determined in good faith by FSA.

### 5. DELIVERY OF AND PAYMENT FOR SHARES.

At the closing hereunder, FSA will deliver, or cause to be delivered to WMIG, the Shares, registered in the name of WMIG or its nominee, and WMIG shall simultaneously deliver to FSA immediately available funds in an amount equal to the Aggregate Purchase Price.

### 6. REPRESENTATIONS AND WARRANTIES OF FSA.

FSA hereby represents and warrants that (a) FSA is a corporation duly organized and validly existing under the laws of the State of New York, (b) FSA has the full corporate power and authority to execute, deliver and perform its obligations hereunder, and (c) on the date of consummation of the transaction contemplated hereby, FSA shall transfer the Shares to WMIG, free and clear of any lien, charge, encumbrance or restriction on transfer.

### 7. REPRESENTATIONS AND WARRANTIES OF WMIG.

WMIG hereby represents and warrants that it is acquiring the Shares hereunder for investment only and not with a view toward distribution.

### 8. FEES AND EXPENSES.

Each of FSA and WMIG shall pay its own respective fees and expenses (including, without limitation, the fees of any attorneys, accountants, or other representatives) incurred in connection with this letter agreement and the transactions contemplated hereby, whether or not such transactions are consummated, it being agreed that fees of Cravath, Swaine & Moore incurred to date in connection with a possible sale of White Mountains Services Corporation shall be for the account of WMIG. Each of FSA and WMIG represents that no broker, finder or investment banker has been retained or engaged on its behalf or is entitled to any brokerage, finder's or other fee, commission or compensation in connection with the transactions contemplated hereby.



9. COMMUNICATIONS.

All notices and other communications provided for in this letter agreement shall be in writing and shall be deemed effective upon receipt at the party's address and facsimile number (a), in the case of WMIG, by telephonic communication with Raymond Barrette at 603-640-2211, with a facsimile to his attention at telecopy number 603-643-4562, and (b) in the case of FSA, by telephonic communication with Bruce Stern at (212) 339-3482, with a facsimile to his attention at telecopy number (212) 339-0849.

10. ASSIGNMENT.

The rights and obligations of FSA and WMIG hereunder may not be assigned without the prior written consent of the other party.

11. AMENDMENT.

The terms and provisions of this letter agreement may not be amended, modified or waived except by written instrument signed by both FSA and WMIG.

12. COUNTERPARTS.

This letter agreement may be executed in counterparts, each of which when so executed and delivered shall be an original, but such counterparts together shall constitute but one instrument. 13. Governing Law. This letter agreement shall be governed by and construed in accordance with the laws of the State of New York. If the foregoing is in accordance with WMIG understanding of our agreement, please sign and return to us the enclosed copy of this Agreement, whereupon it shall become a binding agreement between us.

Very truly yours,

FINANCIAL SECURITY ASSURANCE HOLDINGS LTD.,

By: /s/ Bruce Stern  
Title: Managing Director and General Counsel

Agreed and Accepted by:

WHITE MOUNTAINS INSURANCE GROUP, LTD.,

By: /s/ K. Thomas Kemp  
Title: President and Chief Executive Officer