

WHITE MOUNTAINS INSURANCE GROUP LTD  
Form SC TO-I  
August 18, 2011

[QuickLinks](#) -- Click here to rapidly navigate through this document

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

---

**SCHEDULE TO**

Tender Offer Statement under Section 14(d)(1) or 13(e)(1)  
of the Securities Exchange Act of 1934

**WHITE MOUNTAINS INSURANCE GROUP, LTD.**

(Name of Subject Company (Issuer) and Filing Person (Offeror))

---

Common Shares, par value \$1.00 per share  
(Title of Class of Securities)

G9618E107  
(CUSIP Number of Class of Securities)

**Robert L. Seelig, Esq.**  
**Managing Director and General Counsel**  
**White Mountains Insurance Group, Ltd.**  
**80 South Main Street**  
**Hanover, New Hampshire 03755-2053**  
**Telephone: (603) 640-2200**

(Name, address and telephone number of person authorized to receive notices and  
communications on behalf of filing persons)

---

With a copy to:

**Philip A. Gelston, Esq.**  
**Cravath, Swaine & Moore LLP**  
**825 Eighth Avenue**  
**New York, New York 10019**  
**Telephone: (212) 474-1000**

---

**CALCULATION OF FILING FEE:**

**Transaction Valuation\***

**Amount of Filing Fee\*\***

Edgar Filing: WHITE MOUNTAINS INSURANCE GROUP LTD - Form SC TO-I

\$130,500,000

\$15,151.05

\*

Estimated for purposes of calculating the amount of the filing fee only. This calculation assumes the purchase of a total of 300,000 outstanding Common Shares, par value \$1.00 per share, of White Mountains Insurance Group, Ltd., at the maximum tender offer price of \$435 per share in cash.

\*\*

The amount of the filing fee, calculated in accordance with Rule 0-11 of the Securities Exchange Act of 1934, as amended, equals \$116.10 per million of the value of the transaction.

o

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount previously paid: Not applicable  
Form or Registration No.: Not applicable

Filing Party: Not applicable  
Date Filed: Not applicable

o

Check the box if the filing relates solely to preliminary communications made before the commencement of the tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

o

third-party tender offer subject to Rule 14d-1.

ý

issuer tender offer subject to Rule 13e-4.

o

going-private transaction subject to Rule 13e-3.

o

amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: o

---

## INTRODUCTION

This Tender Offer Statement on Schedule TO ("Schedule TO") relates to the tender offer by White Mountains Insurance Group, Ltd., a company organized under the laws of Bermuda (the "Company"), to purchase 300,000 of its issued and outstanding Common Shares, par value \$1.00 per share (the "Common Shares" or the "Shares"), or such lesser number of Shares as is properly tendered and not properly withdrawn, at a price not greater than \$435 or less than \$385 per Share, net to the seller in cash, less any applicable withholding taxes and without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase dated August 18, 2011 (the "Offer to Purchase"), a copy of which is attached hereto as Exhibit (a)(1)(A), and in the related Letter of Transmittal (the "Letter of Transmittal" and, together with the Offer to Purchase, as amended or supplemented from time to time, the "Offer"), a copy of which is attached hereto as Exhibit (a)(1)(B), which are herein incorporated by reference. This Schedule TO is being filed in accordance with Rule 13e-4 under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

All information in the Offer is hereby expressly incorporated by reference in answer to all items in this Schedule TO, and as more particularly set forth below.

### Item 1. Summary Term Sheet.

The information set forth in the Offer to Purchase under "Summary Term Sheet" is incorporated herein by reference.

### Item 2. Subject Company Information.

- (a) The name of the issuer is White Mountains Insurance Group, Ltd., a company organized under the laws of Bermuda. The Company's principal executive offices are located at 80 South Main Street, Hanover, New Hampshire 03755-2053, telephone: (603) 640-2200.
- (b) The class of securities to which this statement relates is the Common Shares, par value \$1.00 per share, of which 7,958,589 Shares were issued and outstanding as of August 16, 2011.
- (c) The information set forth in the Offer to Purchase under Section 7 ("Price Range of Shares; Dividends") is incorporated herein by reference.

### Item 3. Identity and Background of Filing Person.

- (a) This Tender Offer Statement on Schedule TO is filed by the Company, which is also the issuer. The Company's address and telephone number are set forth under Item 2. The information set forth in the Offer to Purchase under Schedule I and Section 11 ("Interests of Directors and Executive Officers; Transactions and Arrangements Concerning the Shares") is incorporated herein by reference.

### Item 4. Terms of the Transaction.

- (a) The following information set forth in the Offer to Purchase is incorporated by reference herein:

"Summary Term Sheet";

"Introduction";

Section 1 ("Number of Shares; Proration");

Section 2 ("Procedures for Tendering Shares");

Section 3 ("Withdrawal Rights");



## Edgar Filing: WHITE MOUNTAINS INSURANCE GROUP LTD - Form SC TO-I

Section 5 ("Purpose of the Offer; Certain Effects of the Offer");

Section 6 ("Certain U.S. Federal Income Tax Consequences");

Section 11 ("Interest of Directors and Executive Officers; Transactions and Arrangements Concerning the Shares"); and

Section 14 ("Extension of the Tender Offer; Termination; Amendment").

(b) The information set forth in the Offer to Purchase under "Summary Term Sheet", "Introduction", Section 5 ("Purpose of the Offer; Certain Effects of the Offer") and Section 11 ("Interest of Directors and Executive Officers; Transactions and Arrangements Concerning the Shares") is incorporated herein by reference.

### **Item 5. Past Contacts, Transactions, Negotiations and Agreements.**

(e) The information set forth in the Offer to Purchase under Section 11 ("Interests of Directors and Executive Officers; Transactions and Arrangements Concerning the Shares") is incorporated herein by reference.

### **Item 6. Purpose of the Transaction and Plans or Proposals.**

(a) The information set forth in the Offer to Purchase under "Summary Term Sheet" and Section 5 ("Purpose of the Offer; Certain Effects of the Offer") is incorporated herein by reference.

(b) The information set forth in the Offer to Purchase under Section 5 ("Purpose of the Offer; Certain Effects of the Offer") is incorporated herein by reference.

(c) The information set forth in the Offer to Purchase under "Summary Term Sheet", "Introduction", Section 5 ("Purpose of the Offer; Certain Effects of the Offer"), Section 9 ("Certain Information Concerning the Company") and Section 10 ("Source and Amount of Funds") is incorporated herein by reference.

### **Item 7. Source and Amount of Funds or Other Consideration.**

(a), (b) and (d) The information set forth in the Offer to Purchase under "Summary Term Sheet" and Section 10 ("Source and Amount of Funds") is incorporated herein by reference.

### **Item 8. Interest in Securities of the Subject Company.**

(a) and (b) The information set forth in the Offer to Purchase under Section 11 ("Interests of Directors and Executive Officers; Transactions and Arrangements Concerning the Shares") and Schedule I is incorporated herein by reference.

### **Item 9. Persons/Assets Retained, Employed, Compensated or Used.**

(a) The information set forth in the Offer to Purchase under "Introduction" and Section 15 ("Fees and Expenses") is incorporated herein by reference.

### **Item 10. Financial Statements.**

Not applicable.

**Item 11. Additional Information.**

- (a)(1) The information set forth in the Offer to Purchase under Section 11 ("Interests of Directors, Executive Officers; Transactions and Arrangements Concerning the Shares") is incorporated herein by reference.
- (a)(2) The information set forth in the Offer to Purchase under Section 12 ("Certain Legal Matters") is incorporated herein by reference.
- (a)(3) Not applicable.
- (a)(4) The information set forth in the Offer to Purchase under Section 5 ("Purpose of the Offer; Certain Effects of the Offer") is incorporated herein by reference.
- (a)(5) None.
- (b) The information set forth in the Offer to Purchase and the Letter of Transmittal, as each may be amended or supplemented from time to time, is incorporated herein by reference.

**Item 12. Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
(a)(1)(A)	Offer to Purchase dated August 18, 2011
(a)(1)(B)	Letter of Transmittal dated August 18, 2011
(a)(1)(C)	Notice of Guaranteed Delivery
(a)(1)(D)	Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees
(a)(1)(E)	Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees
(a)(1)(F)	Form of Summary Advertisement as published on August 18, 2011
(a)(1)(G)	Letter from the Company's Chairman to shareholders dated August 18, 2011
(b)	\$375,000,000 Credit Agreement, dated August 12, 2011, among White Mountains Insurance Group, Ltd., Lone Tree Insurance Group Ltd., as guarantor, Lone Tree Holdings Ltd., as guarantor, the lenders named therein and Bank of America, N.A., as Administrative Agent, Swingline Lender and an Issuing Lender (incorporated by reference herein as and filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated August 17, 2011)
(d)(1)	Investment Management Agreement between Prospector Partners, LLC and White Mountains Advisors LLC (incorporated by reference herein and filed as Exhibit 99.1 to the Company's 2006 Annual Report on Form 10-K dated February 28, 2005)
(d)(2)	Amendment to the Investment Management Agreement between Prospector Partners, LLC and White Mountains Advisors, LLC dated February 23, 2006 (incorporated by reference herein and filed on the Company's Report on Form 8-K dated February 28, 2006)
(d)(3)	Investment Management Agreement between Prospector Partners, LLC and OneBeacon dated November 14, 2006 (incorporated by reference herein and filed as Exhibit 10.11 of the Company's 2006 Annual Report on Form 10-K)

## Edgar Filing: WHITE MOUNTAINS INSURANCE GROUP LTD - Form SC TO-I

<b>Exhibit No.</b>	<b>Description</b>
(d)(4)	Consulting Letter Agreement between Prospector Partners, LLC and White Mountains Advisors LLC (incorporated by reference herein and filed as Exhibit 99.2 of the Company's Report on Form 8-K dated June 20, 2005)
(d)(5)	White Mountains Long-Term Incentive Plan (incorporated by reference herein and filed as Exhibit 10.15 to the Company's 2006 Annual Report on Form 10-K dated February 28, 2007)
(d)(6)	White Mountains Long-Term Incentive Plan, as amended, (incorporated by reference herein and filed as Appendix A of the Company's Notice of 2010 Annual General Meeting of Members and Proxy Statement dated March 29, 2010)
(d)(7)	White Mountains Bonus Plan (incorporated by reference herein and filed as Exhibit 10.17 of the Company's 2004 Annual Report on Form 10-K)
(d)(8)	White Mountains Insurance Group Deferred Compensation Plan (incorporated by reference herein and filed as Exhibit 10.14 of the Company's 2003 Annual Report on Form 10-K)
(d)(9)	White Mountains Re Long Term Incentive Plan (incorporated by reference herein and filed as Exhibit 10.12 of the Company's 2009 Annual Report on Form 10-K)
(d)(10)	EHI Performance Unit Plan 2009-2011 (incorporated by reference herein and filed as Exhibit 10.15 of the Company's 2009 Annual Report on Form 10-K)
(d)(11)	EHI Performance Unit Plan 2010-2012 (incorporated by reference herein and filed as Exhibit 10.16 of the Company's 2006 Annual Report on Form 10-K)
(d)(12)	EHI Select Deferred Compensation Plan (incorporated by reference herein and filed as Exhibit 10.16 of the Company's 2009 Annual Report on Form 10-K)
(d)(13)	EHI Amended and Restated Top Hat Deferred Compensation Plan (incorporated by reference herein and filed as Exhibit 10.17 of the Company's 2009 Annual Report on Form 10-K)
(d)(14)	EHI Esurance Restricted Unit Plan (incorporated by reference herein and filed as Exhibit 10.18 of the Company's 2009 Annual Report on Form 10-K)
(d)(15)	OneBeacon Insurance Deferred Compensation Plan (incorporated by reference herein and filed as Exhibit 10.18 of the Company's 2003 Annual Report on Form 10-K)
(d)(16)	OneBeacon 2007 Long-Term Incentive Plan (incorporated by reference herein and filed as Exhibit 10.20 of the Company's 2009 Annual Report on Form 10-K)
(d)(17)	First Amendment to OneBeacon 2007 Long-Term Incentive Plan (incorporated by reference herein and filed as Exhibit 10.21 of the Company's 2009 Annual Report on Form 10-K)
(d)(18)	OneBeacon's 2010 Management Incentive Plan (incorporated by reference herein and filed as Exhibit 10.24 of the Company's 2010 Annual Report on Form 10-k)
(d)(19)	Amended and Restated Revenue Sharing Agreement among John D. Gillespie, Fund American Companies, Inc. and Folksamerica Reinsurance Company (incorporated by reference herein and filed as Exhibit 10.26 of the Company's 2004 Annual Report on Form 10-K)

Edgar Filing: WHITE MOUNTAINS INSURANCE GROUP LTD - Form SC TO-I

<b>Exhibit No.</b>	<b>Description</b>
(d)(20)	Nonqualified Stock Option Agreement made as of the 6th day of March 2007, by and between the Company and Raymond Barrette (incorporated by reference herein and filed as Exhibit 99.1 of the Company's Report on Form 8-K/A dated March 7, 2007)
(d)(21)	Amendment No. 1 to Nonqualified Stock Option Agreement made as of the 10th day of August 2010, by and between the Company and Raymond Barrette (incorporated by reference herein and filed as Exhibit 10.1 of the Company's Report on Form 10-Q dated October 29, 2010)
(d)(22)	Restricted Share Award Agreement made as of the 6th day of March 2007, by and between the Company and Raymond Barrette (incorporated by reference herein and filed as Exhibit 99.2 of the Company's Report on Form 8-K/A dated March 7, 2007)
(d)(23)	Amendment No.1 to Restricted Share Award Agreement made as of the 10th day of August 2010, by and between the Company and Raymond Barrette (incorporated by reference herein and filed as Exhibit 10.2 of the Company's Report on Form 10-Q dated October 29, 2010)
(d)(24)	Full proxy to vote granted to Raymond Barrette by John J. Byrne, dated as of January 22, 2007 (incorporated by reference herein and filed as Exhibit 1 of the Schedule 13D dated January 22, 2007)
(g)	Not applicable
(h)	Not applicable

**Item 13. Information Required by Schedule 13E-3.**

Not applicable.



**SIGNATURE**

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

WHITE MOUNTAINS INSURANCE GROUP, LTD.

By: /s/ J. BRIAN PALMER

\_\_\_\_\_  
Name: J. Brian Palmer

Title: Vice President and Chief Accounting Officer

August 18, 2011

**INDEX OF EXHIBITS**

<b>Exhibit No.</b>	<b>Description</b>
(a)(1)(A)	Offer to Purchase dated August 18, 2011
(a)(1)(B)	Letter of Transmittal dated August 18, 2011
(a)(1)(C)	Notice of Guaranteed Delivery
(a)(1)(D)	Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees
(a)(1)(E)	Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees
(a)(1)(F)	Form of Summary Advertisement as published on August 18, 2011
(a)(1)(G)	Letter from the Company's Chairman to shareholders dated August 18, 2011
(b)	\$375,000,000 Credit Agreement, dated August 12, 2011, among White Mountains Insurance Group, Ltd., Lone Tree Insurance Group Ltd., as guarantor, Lone Tree Holdings Ltd., as guarantor, the lenders named therein and Bank of America, N.A., as Administrative Agent, Swingline Lender and an Issuing Lender (incorporated by reference herein as and filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated August 17, 2011)
(d)(1)	Investment Management Agreement between Prospector Partners, LLC and White Mountains Advisors LLC (incorporated by reference herein and filed as Exhibit 99.1 to the Company's 2006 Annual Report on Form 10-k dated February 28, 2005)
(d)(2)	Amendment to the Investment Management Agreement between Prospector Partners, LLC and White Mountains Advisors, LLC dated February 23, 2006 (incorporated by reference herein and filed on the Company's Report on Form 8-K dated February 28, 2006)
(d)(3)	Investment Management Agreement between Prospector Partners, LLC and OneBeacon dated November 14, 2006 (incorporated by reference herein and filed as Exhibit 10.11 of the Company's 2006 Annual Report on Form 10-K)
(d)(4)	Consulting Letter Agreement between Prospector Partners, LLC and White Mountains Advisors LLC (incorporated by reference herein and filed as Exhibit 99.2 of the Company's Report on Form 8-K dated June 20, 2005)
(d)(5)	White Mountains Long-Term Incentive Plan (incorporated by reference herein and filed as Exhibit 10.15 to the Company's 2006 Annual Report on Form 10-K dated February 28, 2007)
(d)(6)	White Mountains Long-Term Incentive Plan, as amended, (incorporated by reference herein and filed as Appendix A of the Company's Notice of 2010 Annual General Meeting of Members and Proxy Statement dated March 29, 2010)
(d)(7)	White Mountains Bonus Plan (incorporated by reference herein and filed as Exhibit 10.17 of the Company's 2004 Annual Report on Form 10-K)
(d)(8)	White Mountains Insurance Group Deferred Compensation Plan (incorporated by reference herein and filed as Exhibit 10.14 of the Company's 2003 Annual Report on Form 10-K)
(d)(9)	White Mountains Re Long Term Incentive Plan (incorporated by reference herein and filed as Exhibit 10.12 of the Company's 2009 Annual Report on Form 10-K)

## Edgar Filing: WHITE MOUNTAINS INSURANCE GROUP LTD - Form SC TO-I

Exhibit No.	Description
(d)(10)	EHI Performance Unit Plan 2009-2011 (incorporated by reference herein and filed as Exhibit 10.15 of the Company's 2009 Annual Report on Form 10-K)
(d)(11)	EHI Performance Unit Plan 2010-2012 (incorporated by reference herein and filed as Exhibit 10.16 of the Company's 2006 Annual Report on Form 10-K)
(d)(12)	EHI Select Deferred Compensation Plan (incorporated by reference herein and filed as Exhibit 10.16 of the Company's 2009 Annual Report on Form 10-K)
(d)(13)	EHI Amended and Restated Top Hat Deferred Compensation Plan (incorporated by reference herein and filed as Exhibit 10.17 of the Company's 2009 Annual Report on Form 10-K)
(d)(14)	EHI Esurance Restricted Unit Plan (incorporated by reference herein and filed as Exhibit 10.18 of the Company's 2009 Annual Report on Form 10-K)
(d)(15)	OneBeacon Insurance Deferred Compensation Plan (incorporated by reference herein and filed as Exhibit 10.18 of the Company's 2003 Annual Report on Form 10-K)
(d)(16)	OneBeacon 2007 Long-Term Incentive Plan (incorporated by reference herein and filed as Exhibit 10.20 of the Company's 2009 Annual Report on Form 10-K)
(d)(17)	First Amendment to OneBeacon 2007 Long-Term Incentive Plan (incorporated by reference herein and filed as Exhibit 10.21 of the Company's 2009 Annual Report on Form 10-K)
(d)(18)	OneBeacon's 2010 Management Incentive Plan (incorporated by reference herein and filed as Exhibit 10.24 of the Company's 2010 Annual Report on Form 10-K)
(d)(19)	Amended and Restated Revenue Sharing Agreement among John D. Gillespie, Fund American Companies, Inc. and Folksamerica Reinsurance Company (incorporated by reference herein and filed as Exhibit 10.26 of the Company's 2004 Annual Report on Form 10-K)
(d)(20)	Nonqualified Stock Option Agreement made as of the 6th day of March 2007, by and between the Company and Raymond Barrette (incorporated by reference herein and filed as Exhibit 99.1 of the Company's Report on Form 8-K/A dated March 7, 2007)
(d)(21)	Amendment No. 1 to Nonqualified Stock Option Agreement made as of the 10th day of August 2010, by and between the Company and Raymond Barrette (incorporated by reference herein and filed as Exhibit 10.1 of the Company's Report on Form 10-Q dated October 29, 2010)
(d)(22)	Restricted Share Award Agreement made as of the 6th day of March 2007, by and between the Company and Raymond Barrette (incorporated by reference herein and filed as Exhibit 99.2 of the Company's Report on Form 8-K/A dated March 7, 2007)
(d)(23)	Amendment No.1 to Restricted Share Award Agreement made as of the 10th day of August 2010, by and between the Company and Raymond Barrette (incorporated by reference herein and filed as Exhibit 10.2 of the Company's Report on Form 10-Q dated October 29, 2010)
(d)(24)	Full proxy to vote granted to Raymond Barrette by John J. Byrne, dated as of January 22, 2007 (incorporated by reference herein and filed as Exhibit 1 of the Schedule 13D dated January 22, 2007)
(g)	Not applicable
(h)	Not applicable

QuickLinks

INTRODUCTION

Item 1. Summary Term Sheet.

Item 2. Subject Company Information.

Item 3. Identity and Background of Filing Person.

Item 4. Terms of the Transaction.

Item 5. Past Contacts, Transactions, Negotiations and Agreements.

Item 6. Purpose of the Transaction and Plans or Proposals.

Item 7. Source and Amount of Funds or Other Consideration.

Item 8. Interest in Securities of the Subject Company.

Item 9. Persons/Assets Retained, Employed, Compensated or Used.

Item 10. Financial Statements.

Item 11. Additional Information.

Item 12. Exhibits.

Item 13. Information Required by Schedule 13E-3.

SIGNATURE

INDEX OF EXHIBITS