

Summary Annual Reports OneBeacon Benefit Plans

January 1, 2010 – December 31, 2010

Dear Plan Participant,

This document contains the Summary Annual Reports for OneBeacon Insurance Company benefit plans for 2010. These plans provided benefits to OneBeacon Insurance Company employees, dependents, retirees, and prior employees during the period January 1, 2010 through December 31, 2010. For ease of distribution we are providing you with the summaries for both of the plans, even though you may not be a participant in both plans. These provide a summary of the financial statements that we file with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA). These reports are routine, standard disclosure provided for informational purposes.

A Summary Annual Report is no longer included for the OneBeacon Insurance Pension Plan (“Pension Plan”). Per federal regulations, that document has been replaced by an Annual Funding Notice, which was distributed to Pension Plan participants earlier in 2011

The following section describes your rights to receive additional information on the plans described in this mailing.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request.

To obtain a copy of the full annual report, or any part thereof, write OneBeacon Insurance Company, Human Resources – Benefits Department, 150 Royall street, Canton, MA 02021, (781) 332-7241.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the plan (OneBeacon Insurance Company, 150 Royall Street, Canton, MA 02021) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

SUMMARY ANNUAL REPORT

For ONEBEACON INSURANCE COMPANY WELFARE PLAN

This is a summary of the annual report of the OneBeacon Insurance Company Welfare Plan, EIN 23-1502700, Plan No. 506, for period January 01, 2010 through December 31, 2010. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

OneBeacon Insurance Company has committed itself to pay medical, prescription drug and short-term disability claims incurred under the plan.

Insurance Information

The plan has contracts with EyeMed Vision Care, Reliastar Life Insurance Company, Metropolitan Life Insurance Company, Delta Dental of Massachusetts, OneBeacon America Insurance Company, John Hancock Life Insurance Company, Liberty Mutual Assurance Company of Boston, and Aetna Behavioral Health, LLC to pay vision, life insurance, dental, business travel accident, accidental death and dismemberment, long term care, temporary disability, long-term disability, and employee assistance program claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2010 were \$4,620,673.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- insurance information, including sales commissions paid by insurance carriers.
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SUMMARY ANNUAL REPORT

For OneBeacon 401(k) Savings and Employee Stock Ownership Plan

This is a summary of the annual report for OneBeacon 401(k) Savings and Employee Stock Ownership Plan, EIN 23-1502700, Plan No. 002, for period January 01, 2010 through December 31, 2010. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided by a trust fund. Plan expenses were \$84,204,060. These expenses included \$1,261,529 in administrative expenses, and \$82,942,531 in benefits paid to participants and beneficiaries. A total of 4,700 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$504,026,208 as of December 31, 2010, compared to \$499,232,397 as of January 01, 2010. During the plan year the plan experienced an increase in its net assets of \$4,793,811. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$88,997,871, including employer contributions of \$8,659,362, employee contributions of \$15,281,327, realized gains of \$5,592,167 from the sale of assets, earnings from investments of \$53,268,847, and other income of \$6,196,168.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- an accountant's report;
- financial information;
- information on payments to service providers;
- assets held for investment;
- information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.