



## **Demotech, Inc. Assigns Financial Stability Rating<sup>®</sup> to Adirondack Insurance Exchange**

**Columbus, OH - February, 2005:** Demotech, Inc., the originator of Financial Stability Ratings<sup>®</sup> (FSR) for Property and Casualty insurers, announces the assignment of a Financial Stability Rating<sup>®</sup> of A (Exceptional) to Adirondack Insurance Exchange. Adirondack Insurance Exchange will be owned by its policyholders and managed by Adirondack AIF, LLC, an attorney-in-fact, AAIF. AAIF is a wholly owned subsidiary of OneBeacon, LLC.

The Financial Stability Rating<sup>®</sup> of A (Exceptional) was based, in large part, upon the company's well-presented business plan, which was to be executed by an experienced management team.

A Financial Stability Rating<sup>®</sup> summarizes Demotech's opinion as to the financial stability of an insurer regardless of general economic conditions or the phase of the underwriting cycle. Financial Stability Ratings<sup>®</sup> are based upon statutory insurance accounting principles prescribed or permitted by the National Association of Insurance Commissioners (NAIC). For more than a decade, Financial Stability Ratings<sup>®</sup> of A or better have been accepted by the major participants in the secondary mortgage marketplace, including the Fannie Mae, Freddie Mac and HUD.

As part of our continuous evaluation of companies, subscribers to Financial Stability Ratings<sup>®</sup> submit both annual and quarterly financial reports. Financial Stability Ratings<sup>®</sup> are reviewed and, when appropriate, revised quarterly.

The OneBeacon Insurance Group, LLC family of companies consists of several U.S. based Property and Casualty insurance writers. The ultimate parent of OneBeacon is White Mountains Insurance Group, Ltd.

White Mountains is a Bermuda-domiciled financial services holding company traded on the New York Stock Exchange (NYSE) 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 <http://www.whitemountains.com>.

### **About Demotech, Inc.**

Since 1985, Demotech, Inc., a Columbus Ohio base financial analysis and actuarial services firm, has been serving the industry, providing independent opinions on the financial stability of Property and Casualty insurers and Title underwriters. Demotech offers a variety of services including actuarial opinions and pricing assistance, strategic market and product evaluations and analysis, as well as financial valuations. Demotech was the first service to have its rating process formally reviewed and accepted by the Federal Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the United State Department of Housing and Urban development (HUD).

Visit <http://www.demotech.com> for more information.

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