

NEWS RELEASE

FOR IMMEDIATE RELEASE

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New Jersey Skylands Insurance Introduces OneChoice Auto

Basking Ridge, New Jersey (October 14, 2008) – New Jersey drivers have a new option for insuring their vehicles. New Jersey Skylands Insurance today announced that it is offering OneChoice Auto in the Garden State.

OneChoice Auto features exceptional protection for liability, medical expenses, and damage to the policyholder’s vehicle. And policyholders can expand that protection by choosing one – or both – of an exclusive package of enhancements.

Auto Security Rewards provides collision deductible savings, a safe-driver bonus, and an unlimited accident waiver. **Auto Security Plus** offers increased limits for transportation expenses, OEM replacement parts, and coverage for a loan/lease gap, travel expense, reward for information leading to conviction if the vehicle is stolen, and accidental air bag deployment.

In addition, the optional **New Car Replacement** endorsement covers the full cost to replace an insured vehicle that is no more than 2 years old and has sustained a total loss, with a new vehicle.

“OneChoice Auto joins OneChoice Homeowners, which became available in the spring,” said Thom McDaniel, president & CEO of New Jersey Skylands Management, LLC. “And in November we’ll introduce OneChoice CustomPac, New Jersey Skylands’ flagship package product that conveniently bundles home, auto, watercraft and liability protection into a single policy. Coupled with world-class services and member benefits, this will be a one-of-a-kind offering in the state.”

The OneChoice suite of personal insurance products enables independent agents to write a full spectrum of customers, all through the convenience of real-time Web-based technology that makes it possible to process new business and endorsements at the point of sale.

New Jersey Skylands Insurance is a full-service property-casualty insurance carrier that is owned by its policyholder members – who can count on special benefits they won't find with traditional insurers. In addition to superior home and auto protection, exclusive membership advantages include emergency roadside assistance for vehicles insured with New Jersey Skylands Insurance, waivers for the collision deductible and the deductible for windshield repair, identity theft resolution services, credit-monitoring services, and more.

The company markets its products and services exclusively through select independent insurance agents.

Said McDaniel, “New Jersey Skylands Insurance believes in the added value that local agents bring to the customer. Being right there in the communities where policyholders live and work makes a big difference.”

About New Jersey Skylands Insurance

New Jersey Skylands Insurance Association is a full-service property-casualty insurance company. The company is rated A (Exceptional) by Demotech, Inc., a longtime provider of Financial Stability Ratings[®] of property-casualty insurance companies.

New Jersey Skylands Insurance Association is managed by New Jersey Skylands Management, LLC (NJSM), an attorney-in-fact and a wholly owned subsidiary of OneBeacon Insurance Group, which is rated A (excellent) by A.M. Best. OneBeacon's U.S. headquarters is in Canton, Massachusetts. The company is publicly traded on the New York Stock Exchange under the symbol “OB”.

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Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This press release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included or referenced in this release which address activities, events or developments which we expect or anticipate will or may occur in the future are forward-looking statements. The words "will," "believe," "intend," "expect," "anticipate," "project," "estimate," "predict" and similar expressions are also intended to identify forward-looking statements. These forward-looking statements include, among others, statements with respect to OneBeacon's:

- growth in adjusted book value per share or return on equity;
- business strategy;
- financial and operating targets or plans;
- incurred loss and loss adjustment expenses and the adequacy of its loss and loss adjustment expense reserves and related reinsurance;
- projections of revenues, income (or loss), earnings (or loss) per share, dividends, market share or other financial forecasts;
- expansion and growth of our business and operations; and
- future capital expenditures.

These statements are based on certain assumptions and analyses made by OneBeacon in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate in the circumstances. However, whether actual results and developments will conform to our expectations and predictions is subject to a number of risks and uncertainties that could cause actual results to differ materially from expectations, including:

- claims arising from catastrophic events, such as hurricanes, earthquakes, floods or terrorist attacks;
- recorded loss and loss adjustment expense reserves subsequently proving to have been inadequate;
- the continued availability and cost of reinsurance coverage;
- the continued availability of capital and financing;
- general economic, market or business conditions;
- business opportunities (or lack thereof) that may be presented to it and pursued;
- competitive forces, including the conduct of other property and casualty insurers and reinsurers;
- changes in domestic or foreign laws or regulations, or their interpretation, applicable to OneBeacon, its competitors or its clients;
- an economic downturn or other economic conditions adversely affecting its financial position;
- other factors, most of which are beyond OneBeacon's control; and
- the risks that are described from time to time in OneBeacon's filings with the Securities and Exchange Commission, including but not limited to OneBeacon's Annual Report on Form 10-K for the fiscal year ended December 31, 2007 filed February 29, 2008.

Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by OneBeacon will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, OneBeacon or its business or operations. OneBeacon assumes no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise.