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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2022

Commission File Number 001-33289



**ENSTAR GROUP LIMITED**

*(Exact name of Registrant as specified in its charter)*

**BERMUDA**

(State or other jurisdiction of incorporation or organization)

**N/A**

(I.R.S. Employer Identification No.)

**Windsor Place, 3rd Floor, 22 Queen Street, Hamilton HM JX, Bermuda**

(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: **(441) 292-3645**

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>	
Ordinary shares, par value \$1.00 per share	ESGR	The NASDAQ Stock Market	LLC
Depository Shares, Each Representing a 1/1,000th Interest in a 7.00%	ESGRP	The NASDAQ Stock Market	LLC
Fixed-to-Floating Rate Perpetual Non-Cumulative Preferred Share, Series D, Par Value \$1.00 Per Share			
Depository Shares, Each Representing a 1/1,000th Interest in a 7.00%	ESGRO	The NASDAQ Stock Market	LLC
Perpetual Non-Cumulative Preferred Share, Series E, Par Value \$1.00 Per Share			

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As at May 4, 2022, the registrant had outstanding 16,445,812 voting ordinary shares and 1,597,712 non-voting convertible ordinary shares, each par value \$1.00 per share.

**Enstar Group Limited**  
**Quarterly Report on Form 10-Q**  
**For the Period Ended March 31, 2022**  
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**GLOSSARY OF KEY TERMS**

A&E	Asbestos and environmental
Acquisition costs	Costs that are directly related to the successful efforts of acquiring new insurance contracts or renewing existing insurance contracts, and which principally consist of incremental costs such as: commissions, brokerage expenses, premium taxes and other fees incurred at the time that a contract or policy is issued.
ADC	Adverse development cover – A retrospective reinsurance arrangement that will insure losses in excess of an established reserve and provide protection up to a contractually agreed amount.
Adjusted BVPS	Adjusted book value per ordinary share - Non-GAAP financial measure calculated by dividing Enstar ordinary shareholders' equity, adjusted to add the proceeds from assumed exercise of warrants, by the number of ordinary shares outstanding, adjusted for the exercise of warrants and equity awards granted and not yet vested. See "Non-GAAP Financial Measures" in Part I, Item 2 for reconciliation.
Adjusted RLE	Adjusted run-off liability earnings - Non-GAAP financial measure calculated by dividing adjusted prior period development by average adjusted net loss reserves. See "Non-GAAP Financial Measures" in Part I, Item 2 for reconciliation.
Adjusted ROE	Adjusted return on equity - Non-GAAP financial measure calculated by dividing adjusted operating income (loss) attributable to Enstar ordinary shareholders by adjusted opening Enstar ordinary shareholders' equity. See "Non-GAAP Financial Measures" in Part I, Item 2 for reconciliation.
Adjusted TIR	Adjusted total investment return - Non-GAAP financial measure calculated by dividing adjusted total investment return by average adjusted total investable assets. See "Non-GAAP Financial Measures" in Part I, Item 2 for reconciliation.
AFS	Available-for-sale
AmTrust	AmTrust Financial Services, Inc.
Annualized	Calculation of the quarterly or year-to-date result multiplied by four and then divided by the number of quarters elapsed.
AOCI	Accumulated other comprehensive income
Arden	Arden Reinsurance Company Ltd.
Atrium	Atrium Underwriting Group Limited
BMA	Bermuda Monetary Authority
BSCR	Bermuda Solvency Capital Requirement
BVPS	Book value per ordinary share - GAAP financial measure calculated by dividing Enstar ordinary shareholders' equity by the number of ordinary shares outstanding.
Citco	Citco III Limited
CLO	Collateralized loan obligation
Core Specialty	Core Specialty Insurance Holdings, Inc.
DCo	DCo LLC
Defendant A&E liabilities	Defendant asbestos and environmental liabilities - Non-insurance liabilities relating to amounts for indemnity and defense costs for pending and future claims, as well as amounts for environmental liabilities associated with our properties.
DCA	Deferred charge asset - The amount by which estimated ultimate losses payable exceed the premium consideration received at the inception of a retroactive reinsurance agreement and that are subsequently amortized over the estimated loss settlement period.
Dowling Funds	Dowling Capital Partners I, L.P. and Capital City Partners LLC
EB Trust	Enstar Group Limited Employee Benefit Trust
Enhanced Re	Enhanced Reinsurance Ltd.
Enstar	Enstar Group Limited and its consolidated subsidiaries
Enstar Finance	Enstar Finance LLC
ESG	Environmental, social and governance

Exchange Transaction	The exchange of a portion of our indirect interest in Northshore for all of the Trident V Funds' indirect interest in StarStone U.S.
FAL	Funds at Lloyd's - A deposit in the form of cash, securities, letters of credit or other approved capital instrument that satisfies the capital requirement to support the Lloyd's syndicate underwriting capacity.
Funds held	The account created with premium due to the reinsurer pursuant to the reinsurance agreement, the balance of which is credited with investment income and losses paid are deducted.
Funds held by reinsured companies	Funds held, as described above, where we receive a fixed crediting rate of return on the assets held.
Funds held - directly managed	Funds held, as described above, where we receive the actual investment portfolio return on the assets held.
Future policyholder benefits	The liability relating to life reinsurance contracts, which are based on the present value of anticipated future cash flows and mortality rates.
Gate or side-pocket	A gate is the ability to deny or delay a redemption request, whereas a side-pocket is a designated account for which the investor loses its redemption rights.
Hillhouse Group	Hillhouse Capital Management, Ltd. and Hillhouse Capital Advisors, Ltd.
IBNR	Incurred but not reported - The estimated liability for unreported claims that have been incurred, as well as estimates for the possibility that reported claims may settle for amounts that differ from the established case reserves as well as the potential for closed claims to re-open. These provisions are shown net of reinsurance balances recoverable.
InRe Fund	InRe Fund, L.P.
Investable assets	The sum of total investments, cash and cash equivalents, restricted cash and cash equivalents and funds held
JSOP	Joint Share Ownership Program
LAE	Loss adjustment expenses
Lloyd's	This term may refer to either the society of individual and corporate underwriting members that pool and spread risks as members of one or more syndicates, or the Corporation of Lloyd's, which regulates and provides support services to the Lloyd's market
LPT	Loss Portfolio Transfer - Retroactive reinsurance transaction in which loss obligations that are already incurred are ceded to a reinsurer, subject to any stipulated limits
Monument Re	Monument Insurance Group Limited
Morse TEC	Morse TEC LLC
NAV	Net asset value
NCI	Noncontrolling interest
New business	Material transactions, other than business acquisitions, which generally take the form of reinsurance or direct business transfers.
Northshore	Northshore Holdings Limited
OLR	Outstanding loss reserves - Provisions for claims that have been reported and accrued but are unpaid at the balance sheet date.
Parent Company	Enstar Group Limited, excluding its consolidated subsidiaries
Policy buy-back	Similar to a commutation, for direct insurance contracts
pp	Percentage point(s)
PPD	Prior period development - Changes to loss estimates recognized in the current calendar year that relate to loss reserves established in previous calendar years.
Private equity funds	Investments in limited partnerships and limited liability companies
Q1	First quarter or three months ended March 31
Reinsurance to close (RITC)	A business transaction to transfer estimated future liabilities attached to a given year of account of a Lloyd's syndicate into a later year of account of either the same or different Lloyd's syndicate in return for a premium.
Reserves for losses and LAE	Management's best estimate of the ultimate cost of settling losses as of the balance sheet date. This includes OLR and IBNR.
Retroactive reinsurance	Contracts that provide indemnification for losses and LAE with respect to past loss events.

RLE	Run-off liability earnings – GAAP-based financial measure calculated by dividing prior period development by average net loss reserves.
RNCI	Redeemable noncontrolling interest
ROE	Return on equity - GAAP-based financial measure calculated by dividing net earnings (loss) attributable to Enstar ordinary shareholders by opening Enstar ordinary shareholders' equity
Run-off	A line of business that has been classified as discontinued by the insurer that initially underwrote the given risk
Run-off portfolio	A group of insurance policies classified as run-off.
SASB	Sustainability Accounting Standards Board
SEC	U.S. Securities and Exchange Commission
SGL No. 1	SGL No. 1 Limited
SSHL	StarStone Specialty Holdings Limited
StarStone International	StarStone's non-U.S. operations
StarStone U.S.	StarStone U.S. Holdings, Inc. and its subsidiaries
Step Acquisition	The purchase of the entire equity interest in Enhanced Re held by an affiliate of Hillhouse Capital Management Ltd and Hillhouse Capital Advisors, Ltd.
Stone Point	Stone Point Capital LLC
SUL	StarStone Underwriting Limited
TCFD	Task Force on Climate-Related Financial Disclosures
TIR	Total investment return - GAAP financial measure calculated by dividing total investment return recognized in earnings for the applicable period by average total investable assets
Trident V Funds	Trident V, L.P., Trident V Parallel Fund, L.P. and Trident V Professionals Fund, L.P.
U.S. GAAP	Accounting principles generally accepted in the United States of America
ULAE	Unallocated loss adjustment expenses - Loss adjustment expenses relating to run-off costs for the estimated payout of the run-off, such as internal claim management or associated operational support costs.
Unearned premium	The unexpired portion of policy premiums that will be earned over the remaining term of the insurance contract.
VIE	Variable interest entities
2021 Repurchase Program	An ordinary share repurchase program adopted by our Board of Directors on November 29, 2021, for the purpose of repurchasing a limited number of our ordinary shares, not to exceed \$100 million in aggregate. This plan was fully utilized in April 2022.

# PART I — FINANCIAL INFORMATION

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## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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Unless the context indicates otherwise, the terms "Enstar," "we," "us" or "our" mean Enstar Group Limited and its consolidated subsidiaries.

The following discussion and analysis of our financial condition as of March 31, 2022 and our results of operations for the three months ended March 31, 2022 and 2021 should be read in conjunction with our unaudited condensed consolidated financial statements and the related notes included elsewhere in this quarterly report and the audited consolidated financial statements and notes thereto contained in our Annual Report on Form 10-K for the year ended December 31, 2021.

Some of the information contained in this discussion and analysis or included elsewhere in this quarterly report, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and the timing of events could differ materially from those anticipated by these forward-looking statements as a result of many factors, including those discussed under "Cautionary Statement Regarding Forward-Looking Statements" and Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021.

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## Operational Highlights

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Our consolidated results for the three months ended March 31, 2022 reflect our continued progress on providing capital release solutions to our clients by acquiring and managing their run-off portfolios.

Operational highlights for the quarter include:

### Agreed to assume \$3.1 billion of loss reserves from Run-off Transactions

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- On January 10, 2022 we entered into an agreement with Aspen Insurance Holdings Limited ("Aspen") to assume \$3.1 billion of net loss reserves in a LPT transaction, subject to a limit of \$3.6 billion. An existing ADC between Aspen and us that closed in June 2020 will be absorbed into this LPT.
- As a result of this LPT, we will assume an incremental \$2.4 billion of net loss reserves with a diverse mix of property, liability and specialty lines of business, in exchange for incremental premium of \$2.4 billion,<sup>1</sup> and assume claims control.
- This transaction is expected to close in the second quarter of 2022.

### Redeployed funds into new Investment Opportunities

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- Following the redemption and subsequent liquidation of the InRe Fund L.P. (the "InRe Fund") in 2021, we have invested or committed the remaining proceeds into liquid and illiquid non-core assets in accordance with our strategic asset allocation.

For certain illiquid asset classes such as private equity, real estate equity and infrastructure equity, funds have been committed to the appointed manager. For these illiquid asset classes, our manager is deploying funds into liquid non-core asset classes while implementing a plan to rotate these investments into illiquid asset classes over time. We expect this rotation will be complete over the medium term.

### Executed Capital Transactions

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- We completed a \$500 million junior subordinated notes offering in January 2022, the net proceeds of which were primarily used to fund the payment at maturity of the outstanding \$280 million aggregate principal amount of our senior notes, which matured on March 10, 2022. We intend to use the remaining net proceeds for general corporate purposes, including, but not limited to, funding our acquisitions, working capital and other business opportunities.
- Under our 2021 Repurchase Program, we repurchased 162,134 voting ordinary shares in the quarter for \$42 million, representing an average price per share of \$257.49 and a weighted average discount to our net book value per ordinary share of 18.6%. As of March 31, 2022, we had repurchased \$83 million of our ordinary shares of the \$100 million authorized under the 2021 Repurchase Program.

### ESG Initiatives

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- We made progress on our environmental, social and governance ("ESG") strategy. In the first quarter of 2022, we published our inaugural Corporate Sustainability Report, a Sustainability Accounting Standards Board ("SASB") Report and a Task Force on Climate-Related Financial Disclosures ("TCFD") Report.

We also announced a partnership with two U.K.-based women's sports teams as part of our commitment to championing diversity and equality for women. Our ESG strategy remains focused on addressing climate change, sustainable investing, and developing our human capital. We believe that our achievements to date, in addition to our ongoing and future priorities, will benefit the communities we have a presence in and are an investment in our long-term value.

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<sup>1</sup> The amount of net loss reserves assumed, as well as the premium and limit amounts provided in the LPT agreement, will be adjusted for claims paid between October 1, 2021 and the closing date of the transaction pursuant to terms of the contract.

## Consolidated Results of Operations - For the Three Months Ended March 31, 2022 and 2021

The following table sets forth our condensed consolidated statements of earnings:

	Three Months Ended		\$	% / pp
	March 31,			
	2022	2021	Change	Change
(in millions of U.S. dollars, except per share data)				
<b>Underwriting Results</b>				
Net premiums earned	\$ 34	\$ 93	\$ (59)	(63) %
Net incurred losses and LAE				
Current period	(13)	(54)	41	(76) %
Prior period	143	110	33	30 %
Total net incurred losses and LAE	130	56	74	132 %
Policyholder benefit expenses	(12)	—	(12)	NM
Acquisition costs	(8)	(34)	26	(76) %
<b>Investment Results</b>				
Net investment income	80	62	18	29 %
Net realized losses	(37)	(11)	(26)	236 %
Net unrealized losses	(381)	(10)	(371)	NM
Earnings from equity method investments	31	118	(87)	(74) %
<b>General and administrative expenses</b>	(85)	(83)	(2)	2 %
<b>NET (LOSS) EARNINGS ATTRIBUTABLE TO ENSTAR ORDINARY SHAREHOLDERS</b>	<b>\$ (282)</b>	<b>\$ 183</b>	<b>\$ (465)</b>	<b>(254) %</b>
<b>GAAP measures:</b>				
Return on equity ("ROE")	(5.0)%	3.0 %		(8.0) pp
Annualized ROE	(20.2)%	11.9 %		(32.1) pp
Annualized Run-off liability earnings ("RLE")	5.1 %	5.0 %		0.1 pp
Annualized total investment return ("TIR")	(6.1)%	3.6 %		(9.7) pp
<b>Non-GAAP measures:</b>				
Adjusted ROE*	(1.4)%	5.4 %		(6.8) pp
Annualized Adjusted ROE*	(5.7)%	21.7 %		(27.4) pp
Annualized Adjusted RLE *	0.0 %	1.2 %		(1.2) pp
Annualized Adjusted TIR*	0.5 %	8.4 %		(7.9) pp

	As of		\$	% Change
	March 31, 2022	December 31, 2021		
<b>GAAP measure:</b>				
Book value per ordinary share ("BVPS")	\$ 286.51	\$ 316.34	\$ (29.83)	(9.4) %
<b>Non-GAAP measure:</b>				
Adjusted BVPS*	\$ 282.10	\$ 310.80	\$ (28.70)	(9.2) %

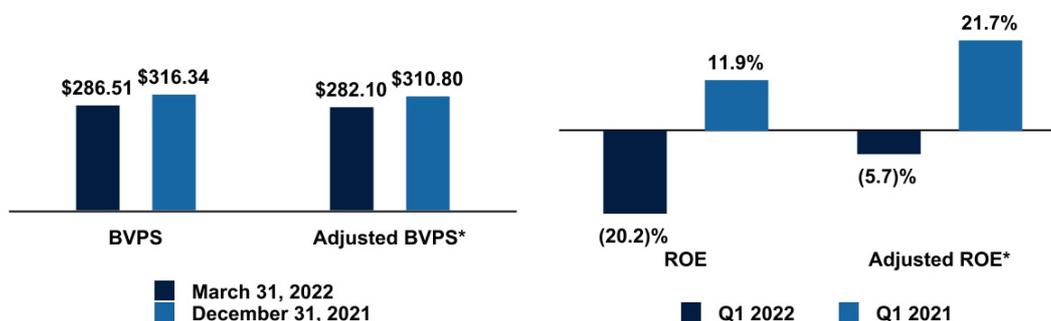
pp - Percentage point(s)

NM - Not meaningful, we define NM as changes greater than or equal to +/- 300%.

\*Non-GAAP measure; refer to "Non-GAAP Financial Measures" section for reconciliation to the applicable GAAP financial measure.

## Overall Measures of Performance

All percentages in the below charts are annualized.



**BVPS and Adjusted BVPS\*** decreased by 9.4% and 9.2%, respectively, from December 31, 2021 to March 31, 2022, primarily as a result of comprehensive losses for the quarter.

### Annualized ROE and Annualized Adjusted ROE\*

**Three Months Ended March 31, 2022 versus 2021:** Net loss attributable to Enstar ordinary shareholders was \$282 million for the three months ended March 31, 2022, representing an ROE and Adjusted ROE\* of (5.0)% and (1.4)%, respectively, in comparison to net earnings of \$183 million for the same period in 2021, representing an ROE and Adjusted ROE of 3.0% and 5.4%, respectively.

On an annualized basis, this drove a 32.1 percentage points ("pp") decrease in Annualized ROE and a 27.4 pp decrease in Annualized Adjusted ROE\*. These declines were primarily a result of:

- i. net realized and unrealized losses on other investments, including equities of \$84 million for the three months ended March 31, 2022 compared to net realized and unrealized gains of \$185 million in the comparative period. This decline in net realized and unrealized gains on other investments contributed 18.0 and 20.0 pp to the total reduction in Annualized ROE and Annualized Adjusted ROE\*, respectively;
- ii. net realized and unrealized losses on fixed maturity securities of \$334 million for the three months ended March 31, 2022 compared to losses of \$206 million in the comparative period, primarily driven by rising interest rates and widening credit spreads. This unfavorable movement impacted Annualized ROE by 10.5 pp with no impact to Annualized Adjusted ROE\* as this is excluded from the calculation of the measure; and
- iii. earnings from equity method investments decreased by \$87 million or 74%, largely due to our acquisition of the controlling interest in Enhanced Re, effective September 1, 2021 (consolidated net earnings from Enhanced Re business, inclusive of investment results, corporate allocations and the effect of noncontrolling interests were \$15 million for the three months ended March 31, 2022). This unfavorable movement impacted Annualized ROE and Annualized Adjusted ROE\* by 5.4 and 6.3 pp, respectively.

These negative factors were partially offset by:

- iv. favorable prior period development ("PPD") of \$143 million for the three months ended March 31, 2022, which was \$33 million higher than the comparative period, primarily due to favorable PPD on Enhanced Re's catastrophe book and a favorable change in the interest rate components of the valuation of liabilities for which we have elected the fair value option, partially offset by an increase in DCA amortization. These favorable movements contributed 3.1 pp to Annualized ROE.

\*Non-GAAP measure; refer to "Non-GAAP Financial Measures" section for reconciliation to the applicable GAAP financial measure.

We have discussed the results of our operations by aggregating certain captions from our condensed consolidated statement of earnings, as we believe it provides a more meaningful view of our results and eliminates repetition that would arise if captions were discussed on an individual basis.

In order to facilitate discussion, we have grouped the following captions:

- **Underwriting results:** includes net premiums earned, net incurred losses and LAE, policyholder benefit expenses and acquisition costs.
- **Investment results:** includes net investment income, net realized losses, net unrealized losses and earnings from equity method investments.
- **General and administrative results:** includes general and administrative expenses.

## Underwriting Results

Our strategy is focused on effectively managing portfolios and businesses in run-off. Although we have largely exited our active underwriting platforms, we still record net premiums earned and the associated current period net incurred losses and LAE and acquisition costs as a result of new transactions during the year and the run-off of unearned premiums from transactions completed in recent years.

Premiums earned in the Run-off segment are offset by the related current period net incurred losses and LAE and acquisition costs.

The components of underwriting results are as follows:

	Three Months Ended March 31,									
	2022					2021				
	Run-off	Enhanced Re	Legacy Underwriting	Corporate and other	Total	Run-off	Legacy Underwriting	Corporate and other	Total	
	(in millions of U.S. dollars)									
Net premiums earned	\$ 17	\$ 14	\$ 3	\$ —	\$ 34	\$ 73	\$ 20	\$ —	\$ 93	
Net incurred losses and LAE:										
Current period	11	—	2	—	13	44	10	—	54	
Prior periods	(50)	(29)	(1)	(63)	(143)	(39)	(6)	(65)	(110)	
Total net incurred losses and LAE	(39)	(29)	1	(63)	(130)	5	4	(65)	(56)	
Policyholder benefit expenses	—	12	—	—	12	—	—	—	—	
Acquisition costs	8	—	—	—	8	29	5	—	34	
Underwriting results	<u>\$ 48</u>	<u>\$ 31</u>	<u>\$ 2</u>	<u>\$ 63</u>	<u>\$ 144</u>	<u>\$ 39</u>	<u>\$ 11</u>	<u>\$ 65</u>	<u>\$ 115</u>	

**Current Period**

The current period underwriting results from our (re)insurance operations include net earned premiums that have been declining as we transition away from active underwriting activities.

(in millions of U.S. dollars)

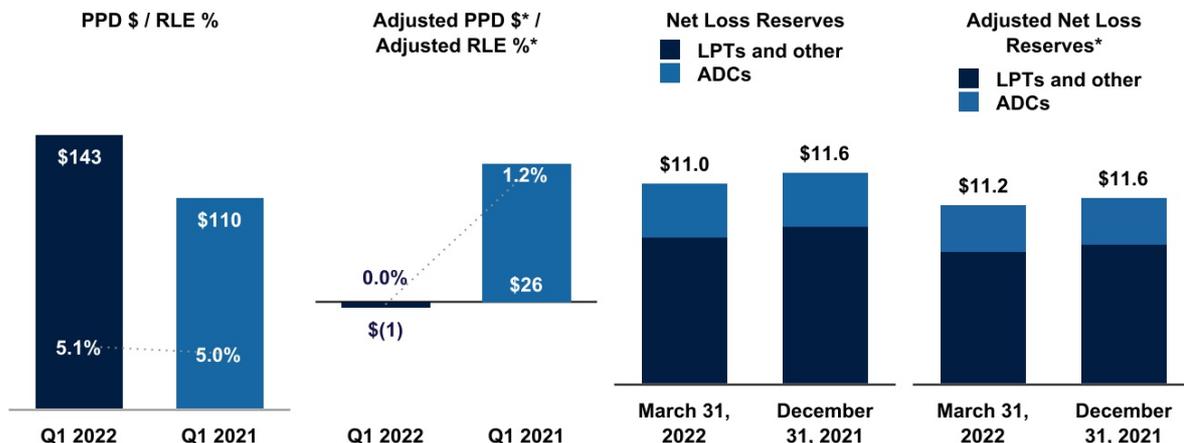


The reductions in net premiums earned, current period net incurred losses and LAE and acquisition costs were driven by reduced levels of activity arising from our exit of our active underwriting platforms beginning in 2020.

We continue to earn premium from our StarStone International business and from our Enhanced Re segment. In comparison, our 2021 earned premium was primarily driven by StarStone International and AmTrust reinsurance to close (“RITC”) business, which was entered into in 2019.

**Prior Periods - RLE**

The below charts are in millions (RLE and Adjusted RLE\*) and billions (Net Loss Reserves and Adjusted Net Loss Reserves\*) of U.S. dollars and percentages are annualized.



The following tables summarize RLE % and Adjusted RLE %\* by acquisition year, which management believes is useful in measuring and monitoring performance of our claims management activity on the portfolios that we have acquired. This permits comparability between acquisition years of different loss reserve volumes.

Our calculation of RLE % includes the impact of deferred charge asset (“DCA”) amortization, amortization of fair value adjustments and changes to the discount and risk margin factors relating to the fair value of liabilities where we elected the fair value option.

\*Non-GAAP measure; refer to “Non-GAAP Financial Measures” section for reconciliation to the applicable GAAP financial measure.

Three Months Ended March 31, 2022						
Acquisition Year	RLE			Adjusted RLE*		
	PPD	Average net loss reserves	Annualized RLE %	Adjusted PPD*	Average adjusted net loss reserves*	Annualized Adj RLE %*
(in millions of U.S. dollars)						
2012 and prior	\$ 1	\$ 581		\$ 4	\$ 613	
2013	1	192		—	41	
2014	5	826		—	58	
2015	—	297		—	282	
2016	—	757		8	801	
2017	78	855		—	912	
2018	25	1,004		3	1,024	
2019	(7)	1,094		(14)	1,572	
2020	(2)	1,574		(5)	1,532	
2021	42	4,079		3	4,538	
Total	\$ 143	\$ 11,259	5.1 %	\$ (1)	\$ 11,373	0.0 %

### Three Months Ended March 31, 2022:

Overall, our Annualized RLE % was positively impacted by a reduction of \$98 million relating to the change in the discount rate component of the fair value of liabilities for which we have elected the fair value option in the 2017 and 2018 acquisition years as a result of increases in interest rates.

In addition, we experienced favorable claim activity on Enhanced Re's catastrophe book in the 2021 acquisition year, primarily due to a settlement agreement that capped our COVID-19 losses.

Our Annualized Adjusted RLE %\*, which excludes the changes in the interest components of our liabilities subject to fair value adjustments and changes in catastrophe loss liabilities, was flat in the period as other net favorable development was offset by amortization of our DCA.

Three Months Ended March 31, 2021						
Acquisition Year	RLE			Adjusted RLE*		
	PPD	Average net loss reserves	Annualized RLE %	Adjusted PPD*	Average adjusted net loss reserves*	Annualized Adj RLE %*
(in millions of U.S. dollars)						
2012 and prior	\$ —	\$ 508		\$ —	\$ 545	
2013	6	142		—	59	
2014	10	1,015		10	86	
2015	—	359		(1)	342	
2016	(3)	849		—	890	
2017	66	1,056		—	1,043	
2018	19	1,324		10	1,304	
2019	1	1,210		3	1,714	
2020	11	1,960		7	1,904	
2021	—	457		(3)	854	
Total	\$ 110	\$ 8,880	5.0 %	\$ 26	\$ 8,741	1.2 %

### Three Months Ended March 31, 2021:

Overall, our Annualized RLE % was positively impacted by a reduction of \$75 million in the fair value of liabilities for which we have elected the fair value option in the 2017 and 2018 acquisition years due to rising interest rates.

For Annualized Adjusted RLE %\*, our 2019 acquisition year experienced a \$10 million favorable impact as a result of lower than expected asbestos related claim frequency related to our defendant A&E liabilities. The remaining Adjusted PPD\* was derived from favorable emergence across various acquisition years and lines of business, net of the amortization of the DCA.

\*Non-GAAP measure; refer to "Non-GAAP Financial Measures" section for reconciliation to the applicable GAAP financial measure.

## Investment Results

We strive to structure our investment holdings and the duration of our investments in a manner that recognizes our liquidity needs, including our obligation to pay losses and future policyholder benefit expenses.

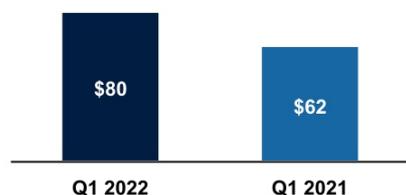
The components of our investment results split between our fixed income assets (which includes our short-term and fixed maturity investments classified as trading and AFS, fixed maturity investments included within funds held-directly managed, cash and cash equivalents, including restricted cash and cash equivalents, and funds held by reinsured companies, collectively our "Fixed Income" assets) and other investments ("Other Investments") (which includes equities, the remainder of funds held-directly managed and equity method investments) are as follows:

	Three Months Ended March 31,					
	2022			2021		
	Fixed Income	Other Investments	Total	Fixed Income	Other Investments	Total
	(in millions of U.S. dollars)					
Net investment income	\$ 61	\$ 19	\$ 80	\$ 48	\$ 14	\$ 62
Net realized (losses) gains	(35)	(2)	(37)	(12)	1	(11)
Net unrealized (losses) gains	(299)	(82)	(381)	(194)	184	(10)
Earnings from equity method investments	—	31	31	—	118	118
<b>TIR (\$)</b>	<b>\$ (273)</b>	<b>\$ (34)</b>	<b>\$ (307)</b>	<b>\$ (158)</b>	<b>\$ 317</b>	<b>\$ 159</b>
Annualized TIR %	(7.3)%	(2.5)%	(6.1)%	(5.4)%	20.3 %	3.6 %
Annualized Adjusted TIR %*	1.6 %	(2.5)%	0.5 %	1.7 %	20.3 %	8.4 %

\*Non-GAAP measure; refer to "Non-GAAP Financial Measures" section for reconciliation to the applicable GAAP financial measure.

**Net Investment Income**

(in millions of U.S. dollars)

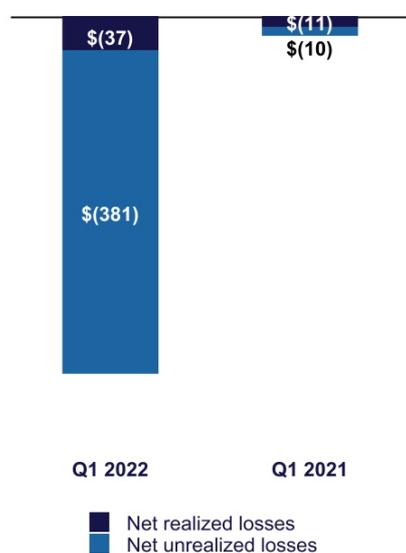


**Three Months Ended March 31, 2022 versus 2021:** Net investment income increased primarily due to:

- an increase in our average aggregate fixed income assets of \$3.9 billion due to new business in 2021; and
- an increase in our annualized book yield of 5 basis points, due to reinvestment of fixed maturities at higher yields.

**Net Realized and Unrealized Losses**

(in millions of U.S. dollars)

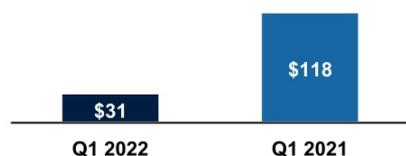


**Three Months Ended March 31, 2022 versus 2021:** Net realized and unrealized losses increased primarily due to:

- net realized and unrealized losses on fixed income securities of \$334 million in 2022 compared to losses of \$206 million in the prior period, an unfavorable movement of \$128 million or 62% from the prior period, primarily driven by rising interest rates across U.S., U.K. and European markets, in addition to widening credit spreads in the current period.
- net realized and unrealized losses on other investments, including equities, of \$84 million in 2022 compared to gains of \$185 million in the prior period, an unfavorable movement of \$269 million, which was primarily driven by:
  - Losses from our fixed income funds, public equities, hedge funds and CLO equities, largely as a result of global equity market declines and the widening of high yield credit spreads. This was partially offset by gains on our private equity funds, private credit funds and real estate funds, which are typically recorded on a one quarter lag.
  - Net realized and unrealized gains for the three months ended March 31, 2021, which were driven by strong performance in our equities and equity funds, private equity funds, private credit funds, fixed income funds, CLO equity and CLO equity funds.

**Earnings****from equity method investments**

(in millions of U.S. dollars)

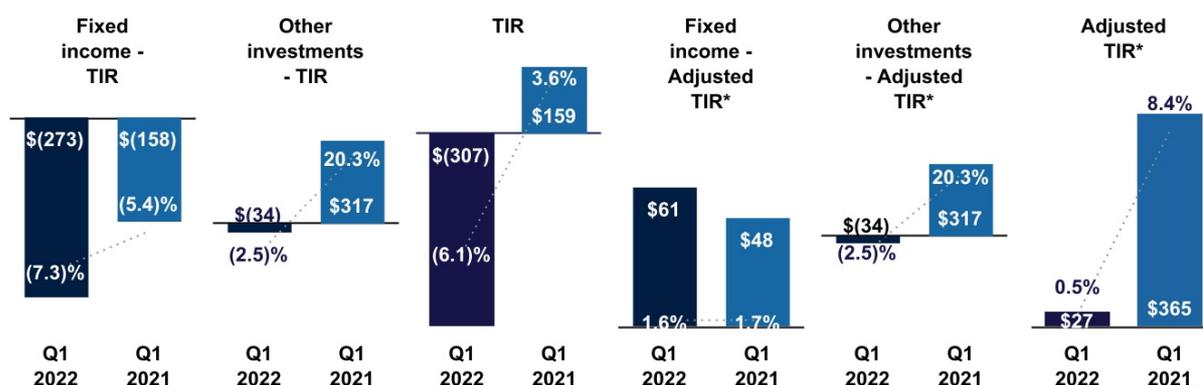


**Three Months Ended March 31, 2022 versus 2021:** earnings from equity method investments decreased, primarily due to:

- our acquisition of the controlling interest in Enhanced Re, which resulted in us consolidating Enhanced Re effective September 1, 2021 (consolidated net earnings from Enhanced Re were \$15 million for the three months ended March 31, 2022). Prior to that date, the results of Enhanced Re were recorded in earnings from equity method investments.

## Return on investments

The below charts are in millions of U.S. dollars and all percentages are annualized.



**Three Months Ended March 31, 2022 versus 2021:** Our Annualized TIR % and Annualized Adjusted TIR %\* decreased by 9.7 pp and 7.9 pp, respectively, from 2021.

### Fixed income securities

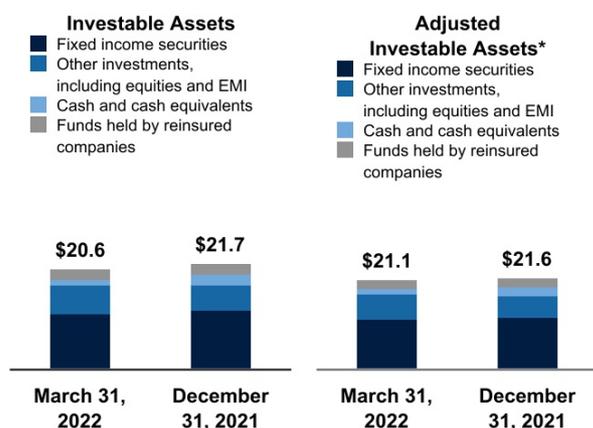
- The TIR and Annualized TIR % on fixed income assets was \$115 million and 1.9 pp lower, respectively, for the three months ended March 31, 2022 compared to 2021, primarily due to an increase in net realized and unrealized losses of \$128 million.
- The Adjusted TIR\* and Annualized Adjusted TIR %\* on fixed income assets was \$13 million higher and 0.1 pp lower, respectively, for Q1 2022 compared to Q1 2021, due to increases in net investment income and fixed income assets.

### Other investments, including equities

- Both our TIR and Adjusted TIR\*, and Annualized TIR % and Annualized Adjusted TIR %\*, on other investments, including equities, was \$351 million and 22.8 pp lower, respectively, for the three months ended March 31, 2022 compared to 2021, primarily due to:
  - an unfavorable movement in net realized and unrealized losses on other investments, including equities, of \$269 million which lowered both our Annualized TIR % and Annualized Adjusted TIR %\* by 18.2 pp; and
  - a reduction in earnings from equity method investments of \$87 million which adversely impacted both our Annualized TIR % and Annualized Adjusted TIR %\* by 5.2 pp.

### Investable Assets

The below charts are in billions of U.S. dollars



- Investable assets decreased by 5.0% from December 31, 2021, primarily due to a decline in carrying value of our fixed income securities and other investments, including equities, and net paid losses.
- Adjusted investable assets\* decreased by 2.2% from December 31, 2021 to March 31, 2022, as a result of a decline in the carrying value of our other investments, including equities, and net paid losses.
- The \$1.0 billion reduction in cash and cash equivalents was driven by the redeployment of a portion of the InRe Fund redemptions to other investments, including equities.

\*Non-GAAP measure; refer to "Non-GAAP Financial Measures" section for reconciliation to the applicable GAAP financial measures.

### Duration and average credit rating on fixed income securities and cash and cash equivalents

The fair value, duration and average credit rating by segment is as follows:

Segment	March 31, 2022			December 31, 2021		
	Fair Value (\$) <sup>(1)</sup> (in millions of U.S. dollars)	Duration (in years) <sup>(2)</sup>	Average Credit Rating <sup>(3)</sup>	Fair Value (\$) <sup>(1)</sup> (in millions of U.S. dollars)	Duration (in years) <sup>(2)</sup>	Average Credit Rating <sup>(3)</sup>
Investments						
Run-off	\$ 10,783	4.83	A+	\$ 12,680	4.54	A+
Enhanced Re	1,356	13.88	A	1,454	14.62	A-
Total - Investments	12,139	5.97	A+	14,134	5.69	A+
Legacy Underwriting	191	2.29	AA-	212	2.37	AA-
<b>Total</b>	<b>\$ 12,330</b>	<b>5.92</b>	<b>A+</b>	<b>\$ 14,346</b>	<b>5.64</b>	<b>A+</b>

<sup>(1)</sup> The fair value of our fixed income securities and cash and cash equivalents by segment does not include the carrying value of cash and cash equivalents within our funds held-directly managed portfolios.

<sup>(2)</sup> The duration calculation includes cash and cash equivalents, short-term investments and fixed maturity securities, as well as the fixed maturity securities and cash and cash equivalents within our funds held-directly managed portfolios.

<sup>(3)</sup> The average credit ratings calculation includes cash and cash equivalents, short-term investments, fixed maturity securities and the fixed maturity securities within our funds held - directly managed portfolios.

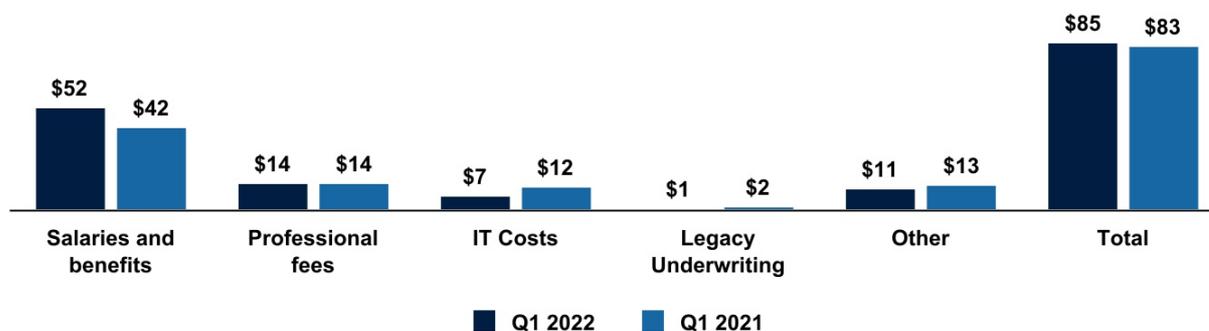
The overall decrease in the balance of our fixed income securities and cash and cash equivalents of \$2.0 billion for the three months ended March 31, 2022 was driven by the redeployment of a portion of the InRe Fund redemptions to other investments, including equities, net paid losses and the recognition of net unrealized losses on our fixed income securities as described above.

As of both March 31, 2022 and December 31, 2021, our fixed income securities and cash and cash equivalents had an average credit quality rating of A+.

As of March 31, 2022 and December 31, 2021, our fixed income securities that were non-investment grade (i.e. rated lower than BBB- and non-rated securities) comprised 6.4% and 5.6% of our total fixed income securities portfolio, respectively. The increase in non-investment grade fixed income securities was driven by the redeployment of a portion of the InRe Fund redemptions to higher-yield fixed income securities in the quarter.

### General and Administrative Expenses

General and Administrative Expenses  
(in millions of U.S. dollars)



Three Months Ended

**March 31, 2022 versus 2021:** The \$2 million increase in general and administrative expenses was driven by higher salaries and benefits in the current quarter due to reductions in performance-based salaries and benefits costs in the comparative quarter, partially offset by reductions in IT costs as a result of reduced project activity in the current quarter.

## Non-GAAP Financial Measures

In addition to our key financial measures presented in accordance with GAAP, we present other non-GAAP financial measures that we use to manage our business, compare our performance against prior periods and against our peers, and as performance measures in our annual incentive compensation program.

These non-GAAP financial measures provide an additional view of our operational performance over the long-term and provide the opportunity to analyze our results in a way that is more aligned with the manner in which our management measures our underlying performance.

The presentation of these non-GAAP financial measures, which may be defined and calculated differently by other companies, is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with GAAP.

We have presented the results and GAAP reconciliations for these measures further below. The following tables present more information on each non-GAAP measure.

Non-GAAP Measure	Definition	Purpose of Non-GAAP Measure over GAAP Measure
<a href="#"><u>Adjusted book value per ordinary share</u></a>	Total Enstar ordinary shareholders' equity  Divided by  Number of ordinary shares outstanding, adjusted for: <i>-the ultimate effect of any dilutive securities on the number of ordinary shares outstanding</i>	Increases the number of ordinary shares to reflect equity awards granted but not yet vested as, over the long term, this presents a prudent view of our book value per share.  We use this non-GAAP measure in our annual incentive compensation program.
<a href="#"><u>Adjusted return on equity</u></a>	Adjusted operating income (loss) attributable to Enstar ordinary shareholders divided by adjusted opening Enstar ordinary shareholder's equity	Calculating the operating income (loss) as a percentage of our adjusted opening Enstar ordinary shareholders' equity provides a more valuable and consistent measure of the performance of our business, and enhances comparisons to prior periods:
<b>Adjusted operating income (loss) attributable to Enstar ordinary shareholders (numerator)</b>	Net earnings (loss) attributable to Enstar ordinary shareholders, adjusted for: <i>-net realized and unrealized (gains) losses on fixed maturity investments and funds held-directly managed</i> <i>-change in fair value of insurance contracts for which we have elected the fair value option <sup>(1)</sup></i> <i>-amortization of fair value adjustments</i> <i>-net gain/loss on purchase and sales of subsidiaries (if any)</i> <i>-net earnings from discontinued operations (if any)</i> <i>-tax effects of adjustments</i> <i>-adjustments attributable to noncontrolling interest</i>	<ul style="list-style-type: none"> <li>• by adjusting investment returns for the temporary impact of the change in fair value of fixed maturity securities (both credit spreads and interest rates) which we hold until the earlier of maturity or used to fund any settlement of related liabilities which are generally recorded at cost;</li> <li>• by removing the impact of non-cash charges that obscure our trends on a consistent basis; and</li> <li>• by removing items that are not indicative of our ongoing operations;</li> </ul> <p>We use this non-GAAP measure in our annual incentive compensation program.</p>
<b>Adjusted opening Enstar ordinary shareholders' equity (denominator)</b>	Opening Enstar ordinary shareholders' equity, less: <i>-net unrealized gains (losses) on fixed maturity investments and funds held-directly managed,</i> <i>-fair value of insurance contracts for which we have elected the fair value option <sup>(1)</sup>,</i> <i>-fair value adjustments, and</i> <i>-net assets of held for sale or disposed subsidiaries classified as discontinued operations (if any)</i>	We include the amortization of fair value adjustments as a non-GAAP adjustment to the adjusted operating income (loss) attributable to Enstar ordinary shareholders as it is considered to be a non-cash charge and not indicative of our operating results.

## Item 2 | Management's Discussion and Analysis | Non-GAAP Financial Measures

<b><u>Adjusted total investment return (%)</u></b>	Adjusted total investment return (dollars) recognized in earnings for the applicable period divided by period average adjusted total investable assets.	Provides a key measure of the return generated on the capital held in the business and is reflective of our investment strategy.
<b>Adjusted total investment return (\$) (numerator)</b>	Total investment return (dollars), adjusted for: <i>-net realized and unrealized (gains) losses on fixed maturity investments and funds held-directly managed</i>	Provides a consistent measure of investment returns as a percentage of all assets generating investment returns.
<b>Adjusted average aggregate total investable assets (denominator)</b>	Total average investable assets, adjusted for: <i>-net unrealized (gains) losses on fixed maturities, AFS investments included within AOCI</i> <i>-net unrealized (gains) losses on fixed maturities, trading instruments</i>	Adjusts investment returns for the temporary impact of the change in fair value of fixed maturity securities (both credit spreads and interest rates) which we hold until the earlier of maturity or used to fund any settlement of related liabilities which are generally recorded at cost.
<b><u>Adjusted run-off liability earnings (%)</u></b>	Adjusted PPD divided by average adjusted net loss reserves	Calculating the RLE as a percentage of our adjusted average net loss reserves provides a more meaningful measurement of our claims management performance.
<b>Adjusted prior period development (numerator)</b>	Prior period net incurred losses and LAE, adjusted to: <i>Remove:</i> <i>-Legacy Underwriting and Enhanced Re operations</i> <i>-the reduction/(increase) in provisions for unallocated LAE (ULAE)</i> <i>-amortization of fair value adjustments.</i> <i>-change in fair value of insurance contracts for which we have elected the fair value option <sup>(1)</sup>,</i> <i>and</i> <i>Add:</i> <i>-the reduction/(increase) in estimates of our defendant A&amp;E ultimate net liabilities.</i>	We use this measure to evaluate our ability to settle our obligations for amounts less than our initial estimate at the point of acquiring the obligations.  In order to provide a complete and consistent picture of our claims performance, we combine the reduction (increase) in estimates of prior period net ultimate losses relating to our Run-off segment with the amortization of deferred charge assets, both of which are included in net incurred losses and LAE and have an inverse effect on our results. We also include our performance in managing our defendant A&E liabilities, that do not form part of loss reserves.
<b>Adjusted net loss reserves (denominator)</b>	Net losses and LAE, adjusted to: <i>Remove:</i> <i>-Legacy Underwriting and Enhanced Re net loss reserves</i> <i>-current period net loss reserves</i> <i>-the net ULAE provision</i> <i>-net fair value adjustments associated with the acquisition of companies,</i> <i>-the fair value adjustments for contracts for which we have elected the fair value option <sup>(1)</sup> and</i> <i>Add:</i> <i>-net nominal defendant asbestos and environmental exposures.</i>	The remaining components of net incurred losses and LAE and net loss reserves are not considered key components of our claims performance as they are either not non-life run-off in nature, or are considered to be non-cash charges that obscure our trends on a consistent basis.  We use this measure to assess the performance of our claim strategies and part of the performance assessment of our past acquisitions.
<b><u>Investable assets - management's view</u></b>	Investable assets, adjusted to reallocate certain categories of investments based on management's view of the underlying economic exposure of a particular investment.  Refer to the reconciliation for further details.	Management's view "looks through" the legal form of an investment and aggregates the classification based upon the underlying economic exposure of each investment, which is consistent with the manner in which management views our investment portfolio composition.

<sup>(1)</sup> Comprises the discount rate and risk margin components.

## Reconciliation of GAAP to Non-GAAP Measures

The table below presents a reconciliation of BVPS to Adjusted BVPS\*:

	March 31, 2022			December 31, 2021		
	Equity <sup>(1)</sup>	Ordinary Shares	Per Share Amount	Equity <sup>(1)</sup>	Ordinary Shares	Per Share Amount
	(in millions of U.S. dollars, except share and per share data)					
<b>Book value per ordinary share</b>	\$ 5,024	17,535,407	\$ 286.51	\$ 5,586	17,657,944	\$ 316.34
Non-GAAP adjustments:						
Share-based compensation plans		274,080			315,205	
<b>Adjusted book value per ordinary share*</b>	<u>\$ 5,024</u>	<u>17,809,487</u>	<u>\$ 282.10</u>	<u>\$ 5,586</u>	<u>17,973,149</u>	<u>\$ 310.80</u>

<sup>(1)</sup> Equity comprises Enstar ordinary shareholders' equity, which is calculated as Enstar shareholders' equity less preferred shares (\$510 million) prior to any non-GAAP adjustments.

\*Non-GAAP measure.

The table below presents a reconciliation of Annualized ROE to Annualized Adjusted ROE\*:

	March 31, 2022				March 31, 2021			
	Net (loss) earnings <sup>(1)</sup>	Opening equity <sup>(1)</sup>	(Adj) ROE	Annualized (Adj) ROE	Net (loss) earnings <sup>(1)</sup>	Opening equity <sup>(1)</sup>	(Adj) ROE	Annualized (Adj) ROE
	(in millions of U.S. dollars)							
<b>Net (loss) earnings/Opening equity/ROE/Annualized ROE <sup>(1)</sup></b>	\$ (282)	\$ 5,586	(5.0)%	(20.2)%	\$ 183	\$ 6,164	3.0 %	11.9 %
Non-GAAP adjustments:								
Net realized and unrealized losses on fixed maturity investments and funds held - directly managed / Net unrealized gains on fixed maturity investments and funds held - directly managed <sup>(2)</sup>	334	(89)			206	(560)		
Change in fair value of insurance contracts for which we have elected the fair value option / Fair value of insurance contracts for which we have elected the fair value option <sup>(3)</sup>	(98)	(107)			(75)	(33)		
Amortization of fair value adjustments / Fair value adjustments	2	(106)			2	(128)		
Net gain on sales of subsidiaries	—				(15)			
Tax effects of adjustments <sup>(4)</sup>	(26)				(17)			
Adjustments attributable to noncontrolling interest <sup>(5)</sup>	(5)				11			
<b>Adjusted operating (loss) income/Adjusted opening equity/Adjusted ROE/Annualized adjusted ROE*</b>	<u>\$ (75)</u>	<u>\$ 5,284</u>	<u>(1.4)%</u>	<u>(5.7)%</u>	<u>\$ 295</u>	<u>\$ 5,443</u>	<u>5.4 %</u>	<u>21.7 %</u>

<sup>(1)</sup> Net (loss) earnings comprises net (loss) earnings attributable to Enstar ordinary shareholders, prior to any non-GAAP adjustments. Opening equity comprises Enstar ordinary shareholders' equity, which is calculated as opening Enstar shareholders' equity less preferred shares (\$510 million), prior to any non-GAAP adjustments.

<sup>(2)</sup> Represents the net realized and unrealized losses related to fixed maturity securities. Our fixed maturity securities are held directly on our balance sheet and also within the "Funds held - directly managed" balance.

<sup>(3)</sup> Comprises the discount rate and risk margin components.

<sup>(4)</sup> Represents an aggregation of the tax expense or benefit associated with the specific country to which the pre-tax adjustment relates, calculated at the applicable jurisdictional tax rate.

<sup>(5)</sup> Represents the impact of the adjustments on the net earnings (loss) attributable to noncontrolling interest associated with the specific subsidiaries to which the adjustments relate.

\*Non-GAAP measure.

## Item 2 | Management's Discussion and Analysis | Non-GAAP Financial Measures

The table below presents a reconciliation of PPD to Adjusted PPD\* and Annualized RLE to Annualized Adjusted RLE\*:

	Three Months Ended		As of		Three Months Ended
	March 31, 2022	March 31, 2022	December 31, 2021	March 31, 2022	March 31, 2022
	PPD	Net loss reserves	Net loss reserves	Average net loss reserves	Annualized RLE %
(in millions of U.S. dollars)					
<b>PPD/net loss reserves/Annualized RLE</b>	\$ 143	\$ 10,962	\$ 11,555	\$ 11,259	5.1 %
Non-GAAP Adjustments:					
Enhanced Re	(28)	(150)	(181)	(166)	
Legacy Underwriting	(1)	(142)	(153)	(147)	
Net loss reserves - current period	—	(13)	—	(7)	
Reduction in provisions for ULAE / Net ULAE provisions	(22)	(394)	(416)	(405)	
Amortization of fair value adjustments / Net fair value adjustments associated with the acquisition of companies	2	104	106	105	
Changes in fair value - fair value option / Net fair value adjustments for contracts for which we have elected the fair value option <sup>(1)</sup>	(98)	201	107	154	
Change in estimate of net ultimate liabilities - defendant A&E / Net nominal defendant A&E liabilities	3	586	574	580	
<b>Adjusted PPD/Adjusted net loss reserves/Annualized Adjusted RLE*</b>	<b>\$ (1)</b>	<b>\$ 11,154</b>	<b>\$ 11,592</b>	<b>\$ 11,373</b>	<b>0.0 %</b>

	Three Months Ended		As of		Three Months Ended
	March 31, 2021	March 31, 2021	December 31, 2020	March 31, 2021	March 31, 2021
	PPD	Net loss reserves	Net loss reserves	Average net loss reserves	Annualized RLE %
(in millions of U.S. dollars)					
<b>PPD/net loss reserves/Annualized RLE</b>	\$ 110	\$ 9,215	\$ 8,544	\$ 8,880	5.0 %
Non-GAAP Adjustments:					
Legacy Underwriting	(6)	(153)	(955)	(555)	
Net loss reserves - current period	—	(48)	—	(24)	
Reduction in provisions for ULAE / Net ULAE provisions	(14)	(396)	(334)	(365)	
Amortization of fair value adjustments / Net fair value adjustments associated with the acquisition of companies	2	125	128	127	
Changes in fair value - fair value option / Net fair value adjustments for contracts for which we have elected the fair value option <sup>(1)</sup>	(75)	109	33	71	
Change in estimate of net ultimate liabilities - defendant A&E / Net nominal defendant A&E liabilities	9	599	615	607	
<b>Adjusted PPD/Adjusted net loss reserves/Annualized Adjusted RLE*</b>	<b>\$ 26</b>	<b>\$ 9,451</b>	<b>\$ 8,031</b>	<b>\$ 8,741</b>	<b>1.2 %</b>

<sup>(1)</sup> Comprises the discount rate and risk margin components.

\*Non-GAAP measure.

## Item 2 | Management's Discussion and Analysis | Non-GAAP Financial Measures

The table below presents a reconciliation of our Annualized TIR to our Annualized Adjusted TIR\*:

	Three Months Ended					
	March 31, 2022			March 31, 2021		
	Fixed Income	Other Investments	Total	Fixed Income	Other Investments	Total
	(in millions of U.S. dollars)					
Net investment income	\$ 61	\$ 19	\$ 80	\$ 48	\$ 14	\$ 62
Net realized (losses) gains	(35)	(2)	(37)	(12)	1	(11)
Net unrealized (losses) gains	(299)	(82)	(381)	(194)	184	(10)
Earnings from equity method investments	—	31	31	—	118	118
<b>TIR (\$)</b>	<b>\$ (273)</b>	<b>\$ (34)</b>	<b>\$ (307)</b>	<b>\$ (158)</b>	<b>\$ 317</b>	<b>\$ 159</b>
<b>Non-GAAP adjustment:</b>						
Net realized and unrealized losses on fixed maturity investments and funds held-directly managed	334	—	334	206	—	206
<b>Adjusted TIR (\$)*</b>	<b>\$ 61</b>	<b>\$ (34)</b>	<b>\$ 27</b>	<b>\$ 48</b>	<b>\$ 317</b>	<b>\$ 365</b>
<b>Total investments</b>	<b>\$ 11,416</b>	<b>\$ 5,826</b>	<b>\$ 17,242</b>	<b>\$ 9,996</b>	<b>\$ 6,557</b>	<b>\$ 16,553</b>
Cash and cash equivalents, including restricted cash and cash equivalents	1,135	—	1,135	996	—	996
Funds held by reinsured companies	2,241	—	2,241	663	—	663
<b>Total investable assets</b>	<b>\$ 14,792</b>	<b>\$ 5,826</b>	<b>\$ 20,618</b>	<b>\$ 11,655</b>	<b>\$ 6,557</b>	<b>\$ 18,212</b>
Average aggregate invested assets, at fair value <sup>(1)</sup>	14,917	5,326	20,243	11,619	6,244	17,863
<b>Annualized TIR % <sup>(2)</sup></b>	<b>(7.3)%</b>	<b>(2.5)%</b>	<b>(6.1)%</b>	<b>(5.4)%</b>	<b>20.3 %</b>	<b>3.6 %</b>
<b>Non-GAAP adjustment:</b>						
Net unrealized losses (gains) on fixed maturities, AFS investments included within AOCI and net unrealized losses (gains) on fixed maturities, trading instruments	521	—	521	(229)	—	(229)
<b>Adjusted investable assets*</b>	<b>\$ 15,313</b>	<b>\$ 5,826</b>	<b>\$ 21,139</b>	<b>\$ 11,426</b>	<b>\$ 6,557</b>	<b>\$ 17,983</b>
Adjusted average aggregate invested assets, at fair value*	\$ 15,133	\$ 5,326	\$ 20,459	\$ 11,224	\$ 6,244	\$ 17,468
<b>Annualized adjusted TIR %* <sup>(4)</sup></b>	<b>1.6 %</b>	<b>(2.5)%</b>	<b>0.5 %</b>	<b>1.7 %</b>	<b>20.3 %</b>	<b>8.4 %</b>

<sup>(1)</sup> This amount is a two period average of the total investable assets, as presented above, and is comprised of amounts disclosed in our quarterly and annual U.S. GAAP consolidated financial statements.

<sup>(2)</sup> Annualized TIR % is calculated by dividing the annualized TIR (\$) by average aggregate invested assets, at fair value.

<sup>(3)</sup> This amount is a two period average of the adjusted investable assets\*, as presented above.

<sup>(4)</sup> Annualized adjusted TIR %\* is calculated by dividing the annualized adjusted TIR\* (\$) by adjusted average aggregate invested assets, at fair value\*.

\*Non-GAAP measure.

**Item 2 | Management's Discussion and Analysis | Non-GAAP Financial Measures**

The below tables present a reconciliation of our total investable assets from the consolidated balance sheet view in accordance with GAAP to management's non-GAAP view of the underlying economic exposure:

Consolidated Balance Sheet View	March 31, 2022	Exchange traded funds backed by fixed income securities	Bonds, CLO equities and private debt held in equity format	Equities, privately held equity, private credit and real estate held in fund format	CLO equity funds	Other assets and liabilities in funds held format	March 31, 2022	Management's View of Underlying Economic Exposure
(in millions of U.S. dollars)								
Short-term and fixed maturity investments, trading and AFS and funds held - directly managed, excluding other assets	\$ 11,195						\$ 11,195	Fixed maturities
Other assets included within funds held - directly managed	221					(221)	—	
Equities	2,444	(1,227)	(125)	(1)			1,091	Equities*
Other Investments:								
Hedge funds	315						315	Hedge funds
Fixed income funds	656	1,227	63				1,946	Bond/loan funds*
Equity funds	4			(4)			—	
Private equity funds	1,068			(107)			961	Private equity funds*
CLO equities	156		32		234		422	CLO equities*
CLO equity funds	234				(234)		—	
Private credit funds	296		30	77			403	Private credit*
Real estate debt fund	134			35			169	Real estate*
Total	2,863						4,216	
Equity method investments	519						519	Equity method investments
Total investments	17,242						17,021	
Cash and cash equivalents (including restricted cash)	1,135						1,135	Cash and cash equivalents (including restricted cash)
Funds held by reinsured companies	2,241					221	2,462	Funds held*
Total investable assets	\$ 20,618						\$ 20,618	Total investable assets

\*Non-GAAP financial measure.

**Item 2 | Management's Discussion and Analysis | Non-GAAP Financial Measures**

Consolidated Balance Sheet View	December 31, 2021	Exchange traded funds backed by fixed income securities	Bonds, CLO equities and private debt held in equity format	Equities, privately held equity, private credit and real estate held in fund format	CLO equity funds	Other assets and liabilities in funds held format	December 31, 2021	Management's View of Underlying Economic Exposure
(in millions of U.S. dollars)								
Short-term and fixed maturity investments, trading and AFS and funds held - directly managed, excluding other assets	\$ 12,254						\$ 12,254	Fixed maturities
Other assets included within funds held - directly managed	201					(201)	—	
Equities	1,995	(969)	(121)	(3)			902	Equities*
Other Investments:								
Hedge funds	291						291	Hedge funds
Fixed income funds	573	969	64				1,606	Bond/loan funds*
Equity funds	5			(5)			—	
Private equity funds	752			(110)			642	Private equity funds*
CLO equities	161		32				400	CLO equities*
CLO equity funds	207					(207)	—	
Private credit funds	275		25	85			385	Private credit*
Real estate debt fund	69			33			102	Real estate*
Total	<u>2,333</u>						<u>3,426</u>	
Equity method investments	<u>493</u>						<u>493</u>	Equity method investments
Total investments	<u>17,276</u>						<u>17,075</u>	
Cash and cash equivalents (including restricted cash)	2,092						2,092	Cash and cash equivalents (including restricted cash)
Funds held by reinsured companies	2,340					201	2,541	Funds held*
Total investable assets	<u>\$ 21,708</u>						<u>\$ 21,708</u>	Total investable assets

\*Non-GAAP financial measure.

## Other Financial Measures

In addition to our non-GAAP financial measures presented above, we refer to TIR, which provides a key measure of the return generated on the capital held in the business. It is reflective of our investment strategy and it provides a consistent measure of investment returns as a percentage of all assets generating investment returns.

The following table provides the calculation of our Annualized TIR by segment:

	Three Months Ended					
	March 31, 2022			March 31, 2021		
	Investments	Legacy Underwriting	Total	Investments	Legacy Underwriting	Total
	(in millions of U.S. dollars)					
<b>Net investment income:</b>						
Fixed income securities	\$ 68	\$ 4	\$ 72	\$ 51	\$ 1	\$ 52
Other investments, including equities	19	—	19	14	—	14
Less: Investment expenses	(11)	—	(11)	(4)	—	(4)
Net investment income	\$ 76	\$ 4	\$ 80	\$ 61	\$ 1	\$ 62
<b>Net realized losses:</b>						
Fixed income securities	\$ (35)	\$ —	\$ (35)	\$ (11)	\$ (1)	\$ (12)
Other investments, including equities	(2)	—	(2)	1	—	1
Net realized losses	\$ (37)	\$ —	\$ (37)	\$ (10)	\$ (1)	\$ (11)
<b>Net unrealized losses:</b>						
Fixed income securities, trading	(293)	(6)	(299)	(194)	—	(194)
Other investments, including equities	(82)	—	(82)	184	—	184
Net unrealized losses	\$ (375)	\$ (6)	\$ (381)	\$ (10)	\$ —	\$ (10)
Earnings from equity method investments	31	—	31	118	—	118
<b>TIR (\$)</b>	\$ (305)	\$ (2)	\$ (307)	\$ 159	\$ —	\$ 159
Fixed maturity and short-term investments, trading and AFS and funds held - directly managed	\$ 11,037	\$ 158	\$ 11,195	\$ 9,827	\$ 163	\$ 9,990
Other assets included within funds held - directly managed	221	—	221	6	—	6
Equities	2,444	—	2,444	1,099	—	1,099
Other investments	2,851	12	2,863	4,509	10	4,519
Equity method investments	519	—	519	939	—	939
<b>Total investments</b>	\$ 17,072	\$ 170	\$ 17,242	\$ 16,380	\$ 173	\$ 16,553
Cash and cash equivalents, including restricted cash and cash equivalents	1,102	33	1,135	966	30	996
Funds held by reinsured companies	2,209	32	2,241	629	34	663
<b>Total investable assets</b>	\$ 20,383	\$ 235	\$ 20,618	\$ 17,975	\$ 237	\$ 18,212
Average aggregate invested assets, at fair value <sup>(1)</sup>	\$ 20,012	\$ 231	\$ 20,243	\$ 17,623	\$ 240	\$ 17,863
<b>Annualized TIR % <sup>(2)</sup></b>	(6.1)%	(3.5)%	(6.1)%	3.6 %	— %	3.6 %
Annualized income from fixed income assets <sup>(3)</sup>	272	16	288	204	4	208
Average aggregate fixed income assets, at cost <sup>(3)(4)</sup>	14,850	220	15,070	10,960	225	11,185
<b>Annualized investment book yield <sup>(5)</sup></b>	1.83 %	7.27 %	1.91 %	1.86 %	1.78 %	1.86 %

<sup>(1)</sup> This amount is a two period average of the total investable assets, as presented above, and is comprised of amounts disclosed in our quarterly and annual U.S. GAAP consolidated financial statements.

<sup>(2)</sup> Annualized total investment return % is calculated by dividing the annualized total investment return (\$) by average aggregate invested assets, at fair value.

<sup>(3)</sup> Fixed income assets include fixed income securities and cash and restricted cash, and funds held by reinsured companies.

<sup>(4)</sup> These amounts are a two period average of the amounts disclosed in our quarterly and annual U.S. GAAP consolidated financial statements.

<sup>(5)</sup> Annualized investment book yield % is calculated by dividing the annualized income from fixed income assets by average aggregate fixed income assets, at cost.

## Results of Operations by Segment - For the Three Months Ended March 31, 2022 and 2021

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Our business is organized into four reportable segments: (i) Run-off; (ii) Enhanced Re; (iii) Investments; and (iv) Legacy Underwriting. In addition, our corporate and other activities, which do not qualify as an operating segment, include income and expense items that are not directly attributable to our reportable segments.

The following is a discussion of our results of operations by segment.

## Run-off Segment

The following is a discussion and analysis of the results of operations for our Run-off segment.

	Three Months Ended		\$ Change	% Change
	March 31,			
	2022	2021		
(in millions of U.S. dollars)				
INCOME				
Net premiums earned	\$ 17	\$ 73	\$ (56)	(77)%
Other income:				
Reduction in estimates of net ultimate defendant A&E liabilities - prior periods	3	9	(6)	(67)%
Reduction in estimated future defendant A&E expenses	—	3	(3)	(100)%
All other income	7	10	(3)	(30)%
Total other income	10	22	(12)	(55)%
Total income	27	95	(68)	(72)%
EXPENSES				
Net incurred losses and LAE:				
Current period	11	44	(33)	(75)%
Prior periods:				
Reduction in estimates of net ultimate losses	(29)	(25)	(4)	16 %
Reduction in provisions for ULAE	(21)	(14)	(7)	50 %
Total prior periods	(50)	(39)	(11)	28 %
Total net incurred losses and LAE	(39)	5	(44)	NM
Acquisition costs	8	29	(21)	(72)%
General and administrative expenses <sup>(1)</sup>	39	28	11	39 %
Total expenses	8	62	(54)	(87)%
SEGMENT NET EARNINGS	\$ 19	\$ 33	\$ (14)	(42)%

NM - Not meaningful, we define NM as changes greater than or equal to +/- 300%.

<sup>(1)</sup> We refined our approach to our general and administrative expense allocations in the second quarter of 2021. Under the revised methodology, our first quarter 2021 general and administrative expenses for the Run-off segment would have increased by \$16 million, to \$44 million.

## Overall Results

**Three Months Ended March 31, 2022 versus 2021:** Segment net earnings from our Run-off segment decreased by \$14 million, primarily due to:

- Decreases in net premiums earned of \$56 million, which was largely offset by decreases in current period net incurred losses and LAE and acquisition costs of \$33 million and \$21 million, respectively. The reduction in each of these amounts was driven by reduced levels of activity arising from our exit of our StarStone International business beginning in 2020.
- A reduction in other income of \$12 million primarily driven by lower favorable prior period development related to our defendant A&E liabilities in the current quarter; and
- An increase in general and administrative expenses of \$11 million; partially offset by
- An \$11 million increase in favorable prior period development in the current quarter driven by:
  - An increase in the reduction in provisions for ULAE of \$7 million; and
  - A \$4 million increase in favorable prior period development compared to the comparative quarter, driven by a \$23 million increase in favorable development on the workers' compensation line of business resulting from favorable actual claims experience compared to expected claims trends, partially offset by a \$16 million increase in adverse development on our property line of business due to unfavorable loss emergence relating to construction risks.

## Enhanced Re Segment

On September 1, 2021 we purchased an additional 27.7% in Enhanced Re, a company that was previously accounted for as an equity method investment. We now own 75.1% of this company and have consolidated it as of September 1, 2021.

The Enhanced Re segment consists of life and property aggregate excess of loss (catastrophe) business. The catastrophe business was not renewed for 2022.

We report the results of this segment on a one quarter lag. The following is a discussion and analysis of the results of operations for our Enhanced Re segment.

	<b>Three Months Ended March 31, 2022</b>
	<b>(in millions of U.S. dollars)</b>
INCOME	
Net premiums earned	\$ 14
Total income	14
EXPENSES	
Net incurred losses and LAE:	
Current period	—
Prior periods:	
Reduction in estimates of net ultimate losses	(28)
Reduction in provisions for unallocated LAE	(1)
Total prior periods	(29)
Total net incurred losses and LAE	(29)
Policyholder benefit expenses	12
General and administrative expenses	2
Total expenses	(15)
SEGMENT NET EARNINGS	\$ 29

### Overall Results

**Three Months Ended March 31, 2022:** Segment net earnings from our Enhanced Re Segment was primarily driven by:

- Favorable PPD of \$29 million, primarily due to a settlement agreement that capped our COVID-19 losses on the catastrophe business; and
- Net premiums earned on the life reinsurance business and in-force catastrophe reinsurance treaties; partially offset by policyholder benefit expenses of \$12 million.

## Investments Segment

The following is a discussion and analysis of the results of operations for our Investments segment.

	Three Months Ended March 31,		\$ Change	% Change
	2022	2021		
(in millions of U.S. dollars)				
<b>INCOME</b>				
Net investment income:				
Fixed income securities	\$ 68	\$ 51	\$ 17	33 %
Other investments, including equities	19	14	5	36 %
Less: Investment expenses	(11)	(4)	(7)	175 %
Total net investment income	76	61	15	25 %
Net realized losses:				
Fixed income securities	(35)	(11)	(24)	218 %
Other investments, including equities	(2)	1	(3)	NM
Net realized losses	(37)	(10)	(27)	270 %
Net unrealized losses:				
Fixed income securities	(293)	(194)	(99)	51 %
Other investments, including equities	(82)	184	(266)	(145)%
Total net unrealized losses	(375)	(10)	(365)	NM
Total income	(336)	41	(377)	NM
<b>EXPENSES</b>				
General and administrative expenses <sup>(1)</sup>	9	3	6	200 %
Total expenses	9	3	6	200 %
Earnings from equity method investments	31	118	(87)	(74)%
<b>SEGMENT NET (LOSS) EARNINGS</b>	<b>\$ (314)</b>	<b>\$ 156</b>	<b>\$ (470)</b>	<b>NM</b>

NM - Not meaningful, we define NM as changes greater than or equal to +/- 300%.

<sup>(1)</sup>We refined our approach to our general and administrative expense allocations in the second quarter of 2021. Under the revised methodology, our first quarter 2021 general and administrative expenses for the Investments segment would have increased by \$3 million, to \$6 million.

### Overall Results

**Three Months Ended March 31, 2022 versus 2021:** Segment net loss from our Investments segment was \$314 million for the three months ended March 31, 2022 compared to segment net earnings of \$156 million for the same period in 2021, an unfavorable change of \$470 million primarily due to:

- net realized and unrealized losses of \$328 million on our fixed income securities, driven by rising interest rates and widening credit spreads, an increase of \$123 million from the comparative period;
- net realized and unrealized losses of \$84 million on our other investments, including equities, in comparison to net realized and unrealized gains of \$185 million in the comparative period, primarily driven by underperformance of our fixed income funds, public equities, hedge funds and CLO equities as a result significant volatility in global equity markets and widening high yield credit spreads, partially offset by gains on our private equity funds, private credit funds and real estate funds, which are typically recorded on a one quarter lag; and
- an \$87 million decrease in earnings from equity method investments largely due to our acquisition of the controlling interest in Enhanced Re, effective September 1, 2021 (consolidated net earnings from Enhanced Re were \$15 million for the three months ended March 31, 2022). Prior to that date, the results of Enhanced Re were recorded in earnings from equity method investments.

**Total Investments**
**Fixed income securities**

Refer to the below tables for the fair value, duration, and credit rating of our fixed income securities by business:

March 31, 2022										
Run-off				Enhanced Re <sup>(1)</sup>						
Fair Value	%	Duration (years) <sup>(2)</sup>	Credit Rating <sup>(2)</sup>	Fair Value	%	Duration (years) <sup>(2)</sup>	Credit Rating <sup>(2)</sup>	Total	Total %	
(in millions of U.S. dollars, except percentages)										
<b>Fixed maturity and short-term investments, trading and AFS and funds held - directly managed</b>										
U.S. government & agency	\$ 676	6.1 %	6.1	AAA	\$ —	— %	n/a	n/a	\$ 676	6.1 %
U.K. government	80	0.7 %	11.2	AA-	—	— %	n/a	n/a	80	0.7 %
Other government	357	3.2 %	6.2	AA	199	1.8 %	12.2	BBB+	556	5.0 %
Corporate	5,980	54.2 %	6.2	BBB+	171	1.5 %	6.8	A-	6,151	55.7 %
Municipal	243	2.2 %	8.6	AA-	—	— %	n/a	n/a	243	2.2 %
Residential mortgage-backed	527	4.8 %	4.5	AA+	—	— %	n/a	n/a	527	4.8 %
Commercial mortgage-backed	1,043	9.5 %	3.2	AA+	—	— %	n/a	n/a	1,043	9.5 %
Asset-backed	775	7.0 %	0.4	AA-	—	— %	n/a	n/a	775	7.0 %
Structured products	—	— %	n/a	n/a	986	9.0 %	18.2	A	986	9.0 %
	<u>\$ 9,681</u>	<u>87.7 %</u>	5.4	A	<u>\$ 1,356</u>	<u>12.3 %</u>	15.9	A	<u>\$ 11,037</u>	<u>100.0 %</u>

December 31, 2021										
Run-off				Enhanced Re <sup>(1)</sup>						
Fair Value	%	Duration (years) <sup>(2)</sup>	Credit Rating <sup>(2)</sup>	Fair Value	%	Duration (years) <sup>(2)</sup>	Credit Rating <sup>(2)</sup>	Total	Total %	
(in millions of U.S. dollars, except percentages)										
<b>Fixed maturity and short-term investments, trading and AFS and funds held - directly managed</b>										
U.S. government & agency	\$ 737	6.1 %	6.4	AAA	\$ —	— %	n/a	n/a	\$ 737	6.1 %
U.K. government	82	0.7 %	9.8	AA-	—	— %	n/a	n/a	82	0.7 %
Other government	387	3.2 %	6.8	AA	228	1.9 %	12.1	BBB	615	5.1 %
Corporate	6,532	54.1 %	6.4	A-	193	1.6 %	6.7	A-	6,725	55.7 %
Municipal	272	2.3 %	9.2	AA-	—	— %	n/a	n/a	272	2.3 %
Residential mortgage-backed	597	4.9 %	2.8	AA+	—	— %	n/a	n/a	597	4.9 %
Commercial mortgage-backed	1,074	8.9 %	3.1	AA+	—	— %	n/a	n/a	1,074	8.9 %
Asset-backed	937	7.8 %	0.3	AA-	—	— %	n/a	n/a	937	7.8 %
Structured products	—	— %	n/a	n/a	1,033	8.5 %	19.2	A-	1,033	8.5 %
Total	<u>\$ 10,618</u>	<u>88.0 %</u>	5.4	A	<u>\$ 1,454</u>	<u>12.0 %</u>	16.4	A-	<u>\$ 12,072</u>	<u>100.0 %</u>

<sup>(1)</sup> Investments under the Enhanced Re caption comprise those that support our life reinsurance business.

<sup>(2)</sup> The duration and the average credit ratings calculation includes short-term investments, fixed maturities and the fixed maturities within our funds held-directly managed portfolios.

The overall decrease in the balance of our fixed income securities of \$1.0 billion for the three months ended March 31, 2022 was primarily driven by the recognition of net unrealized losses on our fixed income securities and net paid losses in the quarter.

The change in the corporate average credit rating for the Run-off portfolio from A- as of December 31, 2021 to BBB+ as of March 31, 2022 was driven by the redeployment of a portion of the InRe Fund redemptions to higher-yield fixed income securities in the quarter.

### Other investments, including equities

Refer to the below table for the composition of our other investments, including equities:

	March 31, 2022	December 31, 2021
	(in millions of U.S. dollars)	
<b>Equities</b>		
Publicly traded equities	\$ 387	\$ 281
Exchange-traded funds	1,682	1,342
Privately held equities	375	372
Total	<u>2,444</u>	<u>1,995</u>
<b>Other investments</b>		
Hedge funds	315	291
Fixed income funds	643	559
Equity funds	4	5
Private equity funds	1,068	752
CLO equities	156	161
CLO equity funds	234	207
Private credit funds	296	275
Real estate debt fund	135	69
Total	<u>\$ 2,851</u>	<u>\$ 2,319</u>

Our equities and other investments increased by \$449 million and \$532 million, respectively, from December 31, 2021 to March 31, 2022, primarily due to the redeployment of a portion of the InRe Fund redemptions into various non-core asset strategies.

### Equity Method Investments

Refer to the below table for a summary of our equity method investments, which does not include those investments we have elected to measure under the fair value option:

	March 31, 2022		Three Months Ended March 31, 2022		December 31, 2021		Three Months Ended March 31, 2021	
	Ownership %	Carrying Value	Earnings from equity method investments		Ownership %	Carrying Value	Earnings from Equity Method Investments	
	(in millions of U.S. dollars)							
Enhanced Re	— %	\$ —	\$ —	—	— %	\$ —	\$ —	105
Citco <sup>(1)</sup>	31.9 %	57	1	1	31.9 %	56	1	1
Monument Re <sup>(2)</sup>	20.0 %	213	24	24	20.0 %	194	15	15
Core Specialty	20.0 %	230	6	6	24.7 %	225	(3)	(3)
Other	27.0 %	19	—	—	27.0 %	18	—	—
		<u>\$ 519</u>	<u>\$ 31</u>			<u>\$ 493</u>	<u>\$ 118</u>	

<sup>(1)</sup> We own 31.9% of the common shares in HH CTCO Holdings Limited, which in turn owns 15.4% of the convertible preferred shares, amounting to a 6.2% interest in the total equity of Citco III Limited ("Citco").

<sup>(2)</sup> We own 20.0% of the common shares in Monument Re as well as preferred shares which have a fixed dividend yield and whose balance is included in the Investment amount.

The carrying value of our equity method investments increased from December 31, 2021 as a result of recognizing \$31 million in earnings from equity method investments in the current quarter. Overall, the earnings from equity method investments decreased from the comparative quarter largely due to our acquisition of the controlling interest in Enhanced Re, effective September 1, 2021 (consolidated net earnings from Enhanced Re were \$15 million for the three months ended March 31, 2022). This decrease was partially offset by an increase in earnings from Monument Re for the three months ended March 31, 2022.

## Legacy Underwriting Segment

The following is a discussion and analysis of the results of operations for our Legacy Underwriting segment.

	Three Months Ended			
	March 31,		\$ Change	% Change
	2022	2021		
	(in millions of U.S. dollars)			
INCOME				
Net premiums earned	\$ 3	\$ 20	\$ (17)	(85)%
Net investment income	4	1	3	300%
Net realized losses	—	(1)	1	(100)%
Net unrealized losses	(6)	—	(6)	NM
Other income (expense)	1	(7)	8	(114)%
Total income	2	13	(11)	(85)%
EXPENSES				
Net incurred losses and LAE:				
Current period	2	10	(8)	(80)%
Prior periods	(1)	(6)	5	(83)%
Total net incurred losses and LAE	1	4	(3)	(75)%
Acquisition costs	—	5	(5)	(100)%
General and administrative expenses	1	2	(1)	(50)%
Total expenses	2	11	(9)	(82)%
SEGMENT NET EARNINGS	\$ —	\$ 2	\$ (2)	(100)%

NM - Not meaningful, we define NM as changes greater than or equal to +/- 300%.

### Overall Results

#### Three Months Ended March 31, 2022 versus 2021:

The Legacy Underwriting Segment results comprise SGL No.1 Limited's ("SGL No.1") 25% gross share of the 2020 and prior underwriting years of Atrium Underwriting Group Limited's (collectively, "Atrium") syndicate 609 at Lloyd's, less the impact of reinsurance agreements with Arden Reinsurance Company Ltd. ("Arden") and a Syndicate 609 Capacity Lease Agreement with Atrium 5 Limited.

Consequently, as of January 1, 2021, SGL No.1 settles its share of the 2020 and prior underwriting years for the economic benefit of Atrium, and there is no net retention by Enstar.

## Corporate and Other

The following is a discussion and analysis of our results of operations for our corporate and other activities.

	Three Months Ended			
	March 31,		\$ Change	% Change
	2022	2021		
	(in millions of U.S. dollars)			
<b>INCOME</b>				
Other income (expense):				
Amortization of fair value adjustments <sup>(1)</sup>	\$ (1)	\$ (5)	\$ 4	(80)%
All other income	4	—	4	NM
Total other income (expense)	3	(5)	8	(160)%
Net gain on sales of subsidiaries	—	15	(15)	(100)%
Total income	3	10	(7)	(70)%
<b>EXPENSES</b>				
Net incurred losses and LAE - prior periods:				
Amortization of DCAs <sup>(2)</sup>	33	8	25	NM
Amortization of fair value adjustments	2	2	—	—%
Changes in fair value - fair value option <sup>(3)</sup>	(98)	(75)	(23)	31%
Total net incurred losses and LAE - prior periods <sup>(2)</sup>	(63)	(65)	2	(3)%
General and administrative expenses <sup>(4)</sup>	34	50	(16)	(32)%
Total expenses	(29)	(15)	(14)	93%
Interest expense	(25)	(16)	(9)	56%
Net foreign exchange losses	(3)	(3)	—	—%
Income tax benefit	—	6	(6)	(100)%
Net earnings attributable to noncontrolling interest	(11)	(11)	—	—%
Dividends on preferred shares	(9)	(9)	—	—%
<b>NET LOSS ATTRIBUTABLE TO ENSTAR ORDINARY SHAREHOLDERS</b>	<b>\$ (16)</b>	<b>\$ (8)</b>	<b>\$ (8)</b>	<b>100%</b>

NM - Not meaningful, we define NM as changes greater than or equal to +/- 300%.

<sup>(1)</sup> Amortization of fair value adjustments relates to the acquisition of DCo LLC and Morse TEC LLC.

<sup>(2)</sup> The three months ended March 31, 2022 included accelerated amortization of \$24 million corresponding to increased favorable PPD on net ultimate liabilities recorded in our Run-off segment. There was no accelerated amortization for the three months ended March 31, 2021.

<sup>(3)</sup> Comprises the discount rate and risk margin components.

<sup>(4)</sup> We refined our approach to our general and administrative expense allocations in the second quarter of 2021. Under the revised methodology, our first quarter 2021 general and administrative expenses for corporate and other activities would have decreased by \$19 million to \$31 million.

### Overall Results

**Three Months Ended March 31, 2022 versus 2021:** Net loss from our corporate and other activities increased by \$8 million for the three months ended March 31, 2022 compared to 2021, primarily due to:

- The reduction in net gain on sales of subsidiaries in the current quarter of \$15 million, with 2021 primarily driven by a \$23 million gain on sale of SUL; and
- A reduction in favorable PPD of \$2 million in the current quarter driven by:
  - A \$25 million increase in the amortization of DCAs due to favorable PPD on recent acquisition years; partially offset by
  - A \$23 million increase in the favorable change in the value of the fair value option related to liabilities on our assumed retroactive reinsurance agreements for which we have elected the fair value option due to increases in interest rates.
- The above movements were largely offset by a reduction in general and administrative expenses of \$16 million.

## Current Outlook

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We are subject to economic factors such as interest rates, inflationary pressures, foreign exchange rates, favorable and unfavorable underwriting events, regulation, tax policy changes, political risks and other market risks that can impact our strategy and operations.

## Run-off Outlook

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### Transactions

We continue to evaluate transactions in our active pipeline including LPTs, ADCs, and other transaction types including acquisitions, and seek opportunities to execute on creative and accretive transactions by offering innovative capital release solutions that enable our clients to meet their capital and risk management objectives.

We are also developing initiatives to optimize our future return and capital position, including restructuring initiatives for some of the older loss portfolios that we have carried for a number of years.

### Seasonality

We complete most of our annual loss reserve studies in the third and fourth quarters of each year and, as a result, tend to record the largest movements, both favorable and adverse, to net incurred losses and LAE in these periods.

In the interim, we perform quarterly reviews to ascertain whether changes to claims paid or case reserves have varied from our expectations developed during the last annual reserve review. In this event, we consider the timing and magnitude of the actual versus expected development, and we may record an interim adjustment to our recorded reserves if, and when warranted.

### Enhanced Re

As part of our strategic review of Enhanced Re, we evaluated the current marketplace offerings and the strategic position of Enhanced Re to take advantage of future opportunities and have concluded that we will not be seeking new life business portfolios for the Enhanced Re platform.

## Investment Outlook

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Global financial markets remain, in our view, volatile in 2022 as we expect continued disruption to certain global supply chains caused by the Russian invasion of Ukraine, and resulting sanctions against Russia, as well as the U.S. Federal Reserve signaling further rate rises combined with a tapering down of its bond-buying program in 2022.

Despite our unrealized losses on fixed income investments during the quarter, higher interest rates also provide us with the opportunity to reinvest at higher yields as our securities mature or as we invest premium received from new business. Furthermore, a portion of our portfolio is allocated to floating-rate assets and non-core assets with inflationary pass-through components, which should mitigate some of the impact of rising rates.

Global equity markets have similarly experienced a turbulent start to the year. However, we remain committed to our investment strategy and expect our other investments, including equities, to provide higher returns and diversification benefits over the long term.

We are actively seeking investment opportunities with inflationary pass-through components, including investments in private credit, real estate, and infrastructure asset classes.

## Inflation

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We continue to monitor the inflationary impacts resulting from pandemic-related government stimulus, supply-demand imbalances, and labor force and supply chain disruptions, on our loss cost trends. Our Run-off net loss reserves primarily consist of general casualty, workers' compensation and asbestos lines of business which, as long tailed lines of business, have not, so far, been significantly impacted by recent inflationary pressures in comparison to other lines of business such as property and auto lines. The limited impact of inflation on our loss cost trends reflects a combination of the opportunity we have to re-price seasoned books of business and to cap exposures through contractual limits at the time of underwriting new Run-off transactions, the operation of a reserving process

that considers long-term inflationary expectations in loss trends, and our claims management model that seeks to settle claims in an efficient and responsive manner, reducing the risk of increased claims costs.

Governmental policy responses to inflation have led to increases in interest rates, which, in the short term, have had a significant impact on our investments, in particular our fixed maturity securities. Any further rise in interest rates will have further negative impacts on our fixed income investments. We will continue to monitor liquidity, capital and potential earnings impact of these changes but remain focused on medium to long term asset allocation decisions.

Inflation may also result in increased wage pressures for our operating expenses, as we remain focused on being a competitive employer in our market.

### **Capital Outlook**

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We continue to review S&P's proposed changes to its capital adequacy model and monitor market and regulatory reaction to the proposed changes. The proposal has not been finalized, but it could increase the level of capital S&P requires for a particular financial strength rating and/or reduce the level of eligible capital.

As part of our capital management strategy, we will continue to make our own assessment of the appropriate level of capital to support our business operations.

### **Russian Invasion of Ukraine**

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The Russian invasion of Ukraine has led to volatility in global commodity markets, most notably the energy market, as well as the loss of insured property in Ukraine and Russia. We have performed a review of potential exposures in our investment portfolio, our underwriting risks, and our acquisition pipeline, and considered operational disruption, and have concluded that there are no significant direct impacts from this event at this time. We continue to monitor for changes to sanctioned individuals and organizations and update our procedures accordingly.

## Liquidity and Capital Resources

### Overview

We aim to generate cash flows from our (re)insurance operations and investments, preserve sufficient capital for future acquisitions and new business, and develop relationships with lenders who provide borrowing capacity at competitive rates.

Our capital resources as of March 31, 2022 included ordinary shareholders' equity of \$5.0 billion, preferred equity of \$510 million, noncontrolling interest of \$233 million, redeemable noncontrolling interest of \$181 million, and debt obligations of \$1.9 billion. Based on our current loss reserves<sup>2</sup> and investment positions, we believe we are well capitalized.

The following table details our capital position:

	March 31, 2022	December 31, 2021	\$ Change	%/pp Change
	(in millions of U.S. dollars)			
Ordinary shareholders' equity	\$ 5,024	\$ 5,586	\$ (562)	(10) %
Series D and E Preferred Shares	510	510	—	— %
Total Enstar shareholders' equity	5,534	6,096	(562)	(9) %
Noncontrolling interest	233	230	3	1 %
Total shareholders' equity	5,767	6,326	(559)	(9) %
Debt obligations	1,904	1,691	213	13 %
Redeemable noncontrolling interest	181	179	2	1 %
Total capitalization	\$ 7,852	\$ 8,196	\$ (344)	(4) %
Total capitalization attributable to Enstar	\$ 7,438	\$ 7,787	\$ (349)	(4) %
Debt to total capitalization	24.2 %	20.6 %		3.6 pp
Debt and Series D and E Preferred Shares to total capitalization	30.7 %	26.9 %		3.8 pp
Debt to total capitalization attributable to Enstar	25.6 %	21.7 %		3.9 pp
Debt and Series D and E Preferred Shares to total capitalization attributable to Enstar	32.5 %	28.3 %		4.2 pp

As of March 31, 2022, we had \$763 million of cash and cash equivalents, excluding restricted cash, that supports (re)insurance operations, and included in this amount was \$396 million held by our foreign subsidiaries outside of Bermuda.

Based on our group's current corporate structure with a Bermuda domiciled parent company and the jurisdictions in which we operate, if the cash and cash equivalents held by our foreign subsidiaries were to be distributed to us, as dividends or otherwise, such amounts would not be subject to incremental income taxes; however, in certain circumstances withholding taxes may be imposed by some jurisdictions, including by the United States.

Based on existing tax laws, regulations and our current intentions, there were no accruals as of March 31, 2022 for any material withholding taxes on dividends or other distributions.

### Share Repurchases and Dividends

We believe that the best investment is in our business, by funding future transactions and meeting our financing obligations. We may choose to return value to shareholders in the form of share repurchases or dividends. To date, we have not declared any dividends on our ordinary shares. For details on our share repurchase programs, refer to Notes 11 and 15 to our condensed consolidated financial statements. We may re-evaluate this strategy from time to time based on overall market conditions and other factors.

We have issued 16,000 Series D Preferred Shares with an aggregate liquidation value of \$400 million and 4,400 Series E Preferred Shares with an aggregate liquidation value of \$110 million. The dividends on both Series of Preferred Shares are non-cumulative and may be paid quarterly in arrears, only when, as and if declared.

<sup>2</sup> Including gross loss reserves, future policyholder benefits and defendant A&E liabilities.

Any payment of common or preferred dividends must be approved by our Board. Our ability to pay ordinary and preferred dividends is subject to certain restrictions.

## Sources and Uses of Cash

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### Holding Company Liquidity

The potential sources of cash flows to Enstar as a holding company consist of cash flows from our subsidiaries including dividends, advances and loans, and interest income on loans to our subsidiaries. We also utilize our credit and loan facilities, and we have issued senior notes and preferred shares and guaranteed junior subordinated notes issued by one of our subsidiaries.

We use cash to fund new acquisitions of companies and significant new business. We also utilize cash for our operating expenses associated with being a public company and to pay dividends on our preferred shares and interest and principal on loans from subsidiaries and debt obligations, including loans under our credit facilities, our Senior Notes, our Junior Subordinated Notes and Enhanced Re's 2031 Subordinated Notes (together with the Junior Subordinated Notes, the "Subordinated Notes").

Under the eligible capital rules of the Bermuda Monetary Authority ("BMA"), the Senior Notes qualify as Tier 3 capital and the Preferred Shares and Subordinated Notes qualify as Tier 2 capital when considering the Bermuda Solvency Capital Requirements ("BSCR").

We may, from time to time, raise capital from the issuance of equity, debt or other securities as we continuously evaluate our strategic opportunities. We filed an automatic shelf registration statement on August 17, 2020 with the SEC to allow us to conduct future offerings of certain securities, if desired, including debt, equity and other securities.

As we are a holding company and have no substantial operations of our own, our assets consist primarily of investments in subsidiaries and our loans and advances to subsidiaries. Dividends from our (re)insurance subsidiaries are restricted by (re)insurance laws and regulations, as described below. The ability of all of our subsidiaries to make distributions and transfers to us may also be restricted by, among other things, other applicable laws and regulations and the terms of our credit facilities and our subsidiaries' bank loans and other issued debt instruments.

### U.S. Finance Company Liquidity

Enstar Finance is a wholly-owned finance subsidiary and is dependent upon funds from other subsidiaries to pay any amounts due under the Junior Subordinated Notes. In addition, as noted above, we are a holding company that conducts substantially all of our operations through our subsidiaries. Our only significant assets are the capital stock of our subsidiaries. Because substantially all of our operations are conducted through our (re)insurance subsidiaries, substantially all of our consolidated assets are held by our subsidiaries and most of our cash flow, and, consequently, our ability to pay any amounts due under the guaranty of the Junior Subordinated Notes, is dependent upon the earnings of our subsidiaries and the transfer of funds by those subsidiaries to us in the form of distributions or loans.

In addition, the ability of our (re)insurance subsidiaries to make distributions or other transfers to Enstar Finance or us is limited by applicable insurance laws and regulations, as described below. These laws and regulations and the determinations by the regulators implementing them may significantly restrict such distributions and transfers, and, as a result, adversely affect the overall liquidity of Enstar Finance or us. The ability of all of our subsidiaries to make distributions and transfers to Enstar Finance and us may also be restricted by, among other things, other applicable laws and regulations and the terms of our credit facilities and our subsidiaries' bank loans and other issued debt instruments.

### Operating Company Liquidity

The ability of our (re)insurance subsidiaries to pay dividends and make other distributions is limited by the applicable laws and regulations of the jurisdictions in which our (re)insurance subsidiaries operate, including Bermuda, the United Kingdom, the United States, Australia and Continental Europe, which subject these subsidiaries to significant regulatory restrictions.

These laws and regulations require, among other things, certain of our (re)insurance subsidiaries to maintain minimum capital requirements and limit the amount of dividends and other payments that these subsidiaries can pay to us, which in turn may limit our ability to pay dividends and make other payments.

As of March 31, 2022, all of our (re)insurance subsidiaries' capital requirement levels were in excess of the

minimum levels required.

Our subsidiaries' ability to pay dividends and make other forms of distributions may also be limited by our repayment obligations under certain of our outstanding credit facility agreements and other debt instruments. Variability in ultimate loss payments may also result in increased liquidity requirements for our subsidiaries.

Our sources of funds primarily consist of cash and investment portfolios acquired on the completion of acquisitions and new business, investment income earned, proceeds from sales and maturities of investments and collection of reinsurance recoverables.

Cash balances acquired upon the purchase of (re)insurance companies are classified as cash provided by investing activities, whereas cash from new business is classified as cash provided by operating activities.

We expect to use funds from cash and investment portfolios, collected premiums, collections from reinsurance debtors, investment income and proceeds from sales and redemptions of investments to meet expected claims payments and operational expenses, with the remainder used for acquisitions and additional investments.

Operating cashflows for the three months ended March 31, 2022 were negative as we did not assume any new business in the quarter and cash used to purchase trading securities exceeded cash provided by sales and maturities of trading securities. By contrast operating cashflows for the three months ended March 31, 2021 were positive as the cash from new business exceeded net purchases of trading securities, with the net proceeds being used in the purchase of AFS securities and other investments included within investing cash flows.

Overall, we expect our cash flows, together with our existing capital base and cash and investments acquired and from new business, to be sufficient to meet cash requirements and to operate our business.

### Cash Flows

The following table summarizes our consolidated cash flows (used in) provided by operating, investing and financing activities:

	<b>Three Months Ended March 31,</b>		<b>\$ Change</b>	<b>% Change</b>
	<b>2022</b>	<b>2021</b>		
	<b>(in millions of U.S. dollars)</b>			
Cash (used in) provided by:				
Operating activities	\$ (643)	\$ 808	\$ (1,451)	(180)%
Investing activities	(481)	(1,387)	906	(65)%
Financing activities	162	(23)	185	NM
Effect of exchange rate changes on cash	5	1	4	NM
Net decrease in cash and cash equivalents	(957)	(601)	(356)	59 %
Cash, cash equivalents and restricted cash, beginning of period	2,092	1,373	719	52 %
Net change in cash of businesses held-for-sale	—	224	(224)	(100)%
Cash and cash equivalents and restricted cash, end of period	<u>\$ 1,135</u>	<u>\$ 996</u>	<u>\$ 139</u>	14 %
<b>Reconciliation to Condensed Consolidated Balance Sheets:</b>				
Cash and Cash equivalents	\$ 763	\$ 563	\$ 200	36 %
Restricted cash and cash equivalents	372	433	(61)	(14)%
Total cash, cash equivalents and restricted cash	<u>\$ 1,135</u>	<u>\$ 996</u>	<u>\$ 139</u>	14 %

NM - Not meaningful, we define NM as changes greater than or equal to +/- 300%.

**Three Months Ended March 31, 2022 versus 2021:** Cash and cash equivalents decreased by \$957 million during the three months ended March 31, 2022 compared to \$601 million during the three months ended March 31, 2021.

Cash used in operations of \$643 million for the three months ended March 31, 2022 was predominantly driven by:

- (i) net paid losses of \$418 million; and
- (ii) the cash outflows from net purchases of trading securities of \$191 million.

Cash used in investing activities of \$481 million for the three months ended March 31, 2022 primarily related to:

- (i) net purchases of other investments of \$583 million; partially offset by

(ii) net sales and maturities of AFS securities of \$102 million.

Cash provided by financing activities of \$162 million for the three months ended March 31, 2022 was attributable to the net issuance of debt of \$213 million, partially offset by share repurchases of \$42 million and preferred share dividends of \$9 million.

Cash provided by operations for the three months ended March 31, 2021 was predominantly driven by:

(i) cash, restricted cash and cash equivalents from new business of \$985 million; partially offset by,

(ii) net paid losses of \$342 million; and

(iii) the cash outflows from net sales and maturities of trading securities of \$19 million.

Cash used in investing activities for the three months ended March 31, 2021 primarily related to net purchases of AFS securities of \$1.0 billion and the sale of subsidiaries, net of cash previously held, of \$232 million.

Cash used in financing activities for the three months ended March 31, 2021 was attributable to net loan repayments of \$10 million, share repurchases of \$4 million and preferred share dividends of \$9 million.

The change in cash of businesses held-for-sale for the three months ended March 31, 2021 was due to the disposal of Northshore Holdings Limited ("Northshore").

## **Investable Assets**

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We define investable assets as the sum of total investments, cash and cash equivalents, restricted cash and cash equivalents and funds held. Investable assets were \$20.6 billion as of March 31, 2022 as compared to \$21.7 billion as of December 31, 2021. This represents a decrease of 5.0% primarily due to a decline in the carrying value of our fixed income securities and other investments, including equities, and net paid losses.

## **Reinsurance Balances Recoverable on Paid and Unpaid Losses**

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As of March 31, 2022 and December 31, 2021, we had reinsurance balances recoverable on paid and unpaid losses of \$1.4 billion and \$1.5 billion, respectively.

Our (re)insurance run-off subsidiaries and assumed portfolios, prior to acquisition, used retrocessional agreements to reduce their exposure to the risk of (re)insurance assumed.

We remain liable to the extent that retrocessionaires do not meet their obligations under these agreements, and therefore, we evaluate and monitor concentration of credit risk among our reinsurers. Provisions are made for amounts considered potentially uncollectible.

## Debt Obligations

We utilize debt financing and loan facilities primarily for funding acquisitions and significant new business, investment activities and, from time to time, for general corporate purposes.

Our debt obligations as of March 31, 2022 and December 31, 2021 were as follows:

Facility	Origination Date	Term	March 31, 2022	December 31, 2021
(in millions of U.S. dollars)				
4.50% Senior Notes due 2022	March 10, 2017	5 years	\$ —	\$ 280
4.95% Senior Notes due 2029	May 28, 2019	10 years	495	495
3.10% Senior Notes due 2031	August 24, 2021	10 years	495	495
Total Senior Notes			990	1,270
5.75% Junior Subordinated Notes due 2040	August 26, 2020	20 years	345	345
5.50% Junior Subordinated Notes due 2042	January 14, 2022	20 years	493	—
5.50% Enhanced Re's Subordinated Notes due 2031	December 20, 2018	12.1 years	76	76
Total Subordinated Notes			914	421
Total debt obligations			\$ 1,904	\$ 1,691

Our debt obligations increased by \$213 million from December 31, 2021 primarily due to the issuance of our 2042 Junior Subordinated Notes, partially offset by the repayment upon maturity of our 2022 Senior Notes.

## Credit Ratings

The following table presents our credit ratings as of May 5, 2022:

Credit ratings <sup>(1)</sup>	Standard and Poor's	Fitch Ratings
Long-term issuer	BBB (Outlook: Positive)	BBB (Outlook: Positive)
2029 Senior Notes	BBB	BBB-
2031 Senior Notes	BBB-	BBB-
2040 and 2042 Junior Subordinated Notes	BB+	BB+
2031 Subordinated Notes	Not Rated	Not Rated
Series D and E Preferred Shares	BB+	BB+

<sup>(1)</sup> Credit ratings are provided by third parties, Standard & Poor's and Fitch Ratings, and are subject to certain limitations and disclaimers. For information on these ratings, refer to the rating agencies' websites and other publications.

Agency ratings are not a recommendation to buy, sell or hold any of our securities and may be revised or withdrawn at any time by the issuing organization. Each agency's rating should be evaluated independently of any other agency's rating<sup>3</sup>.

## Off-Balance Sheet Arrangements

As of March 31, 2022, we have entered into certain investment commitments and parental guarantees<sup>4</sup>. We also utilize unsecured and secured letters of credit and a deposit facility. We do not believe it is reasonably likely that these arrangements will have a material current or future effect on our financial condition, changes in financial condition, revenues and expenses, results of operations, liquidity, cash requirements or capital resources.

<sup>3</sup> For information on risks related to our credit ratings, refer to "Item 1A. Risk Factors - Risks Relating to Liquidity and Capital Resources" and "Item 1A. Risk Factors - Risks Relating to Ownership of our Shares" in our Annual Report on Form 10-K for the year ended December 31, 2021.

<sup>4</sup> Refer to Note 14 to our condensed consolidated financial statements for further details.

## Cautionary Statement Regarding Forward-Looking Statements

This quarterly report and the documents incorporated by reference herein contain statements that constitute "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, with respect to our financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities, plans and objectives of our management, as well as the markets for our securities and the insurance and reinsurance sectors in general.

Statements that include words such as "estimate," "project," "plan," "intend," "expect," "anticipate," "believe," "would," "should," "could," "seek," "may" and similar statements of a future or forward-looking nature identify forward-looking statements for purposes of the federal securities laws or otherwise.

All forward-looking statements are necessarily estimates or expectations, and not statements of historical fact, reflecting the best judgment of our management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements.

These forward looking statements should, therefore, be considered in light of various important factors, including those set forth in this report and in our Annual Report on Form 10-K for the year ended December 31, 2021, which could cause actual results to differ materially from those suggested by the forward-looking statements. These factors include:

- the adequacy of our loss reserves and the need to adjust such reserves as claims develop over time, including due to the impact of emerging claim and coverage issues and disputes that could impact reserve adequacy;
- our acquisitions, including our ability to evaluate opportunities, successfully price acquisitions, address operational challenges, support our planned growth and assimilate acquired portfolios and companies into our internal control system in order to maintain effective internal controls, provide reliable financial reports and prevent fraud;
- increased competitive pressures, including increased competition in the market for run-off business;
- our ability to obtain regulatory approvals, including the timing, terms and conditions of any such approvals, and to satisfy other closing conditions in connection with our acquisition agreements, which could affect our ability to complete acquisitions;
- Enhanced Re's life and annuity business, including the performance of assets to support the liabilities, the risk of mismatch in asset/liability duration and assumptions used to estimate reserves for future policy benefits proving to be inaccurate;
- the variability of statutory capital requirements and the risk that we may require additional capital in the future, which may not be available or may be available only on unfavorable terms;
- our reinsurance subsidiaries may not be able to provide the required collateral to ceding companies pursuant to their reinsurance contracts, including through the use of letters of credit;
- the availability and collectability of our ceded reinsurance;
- the ability of our subsidiaries to distribute funds to us and the resulting impact on our liquidity;
- losses due to foreign currency exchange rate fluctuations;
- climate change and its potential impact on the returns from our run-off business and our investments;
- the value of our investment portfolios and the investment income that we receive from these portfolios may decline materially as a result of market fluctuations and economic conditions, including those related to interest rates, credit spreads and equity prices;
- our ability to structure our investments in a manner that recognizes our liquidity needs;
- our strategic investments in alternative asset classes and joint ventures, which are illiquid and may be volatile;
- our ability to accurately value our investments, which requires methodologies, estimates and assumptions that can be highly subjective, and the inaccuracy of which could adversely affect our financial condition;

- the complex regulatory environment in which we operate, including that ongoing or future industry regulatory developments will disrupt our business, affect the ability of our subsidiaries to operate in the ordinary course or to make distributions to us, or mandate changes in industry practices in ways that increase our costs, decrease our revenues or require us to alter aspects of the way we do business;
- loss of key personnel;
- operational risks, including cybersecurity events, external hazards, human failures or other difficulties with our information technology systems that could disrupt our business or result in the loss of critical and confidential information, increased costs;
- tax, regulatory or legal restrictions or limitations applicable to us or the (re)insurance business generally;
- changes in tax laws or regulations applicable to us or our subsidiaries, or the risk that we or one of our non-U.S. subsidiaries become subject to significant, or significantly increased, income taxes in the United States or elsewhere; and
- the ownership of our shares resulting from certain provisions of our bye-laws and our status as a Bermuda company.

The factors listed above should not be construed as exhaustive and should be read in conjunction with the Risk Factors that are included in our Annual Report on Form 10-K for the year ended December 31, 2021. We undertake no obligation to publicly update or review any forward looking statement, whether to reflect any change in our expectations with regard thereto, or as a result of new information, future developments or otherwise, except as required by law.

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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We are principally exposed to four types of market risk: interest rate risk, credit risk, equity price risk and foreign currency risk. For the three months ended March 31, 2022, there were no material changes to these market risks or our policies to address these market risks, as disclosed in “Part II, Item 7A. Quantitative and Qualitative Disclosures about Market Risk” in our Annual Report on Form 10-K for the year ended December 31, 2021. Please see such section for a discussion of our exposure to and policies to address these market risks.

## ITEM 1. FINANCIAL STATEMENTS

### CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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**ENSTAR GROUP LIMITED**  
**CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**  
**As of March 31, 2022 and December 31, 2021**

	March 31, 2022	December 31, 2021
	(expressed in millions of U.S. dollars, except share data)	
<b>ASSETS</b>		
Short-term investments, trading, at fair value	\$ 7	\$ 6
Short-term investments, available-for-sale, at fair value (amortized cost: 2022 — \$59; 2021 — \$34; net of allowance: 2022 and 2021 — \$0)	59	34
Fixed maturities, trading, at fair value	3,247	3,756
Fixed maturities, available-for-sale, at fair value (amortized cost: 2022 — \$5,575; 2021 — \$5,689; net of allowance: 2022 — \$29; 2021 — \$10)	5,268	5,652
Funds held - directly managed	2,835	3,007
Equities, at fair value (cost: 2022 — \$2,325; 2021 — \$1,831)	2,444	1,995
Other investments, at fair value	2,863	2,333
Equity method investments	519	493
Total investments ( <a href="#">Note 3</a> and <a href="#">Note 7</a> )	17,242	17,276
Cash and cash equivalents	763	1,646
Restricted cash and cash equivalents	372	446
Reinsurance balances recoverable on paid and unpaid losses (net of allowance: 2022 — \$135; 2021 — \$136)	983	1,085
Reinsurance balances recoverable on paid and unpaid losses, at fair value ( <a href="#">Note 7</a> )	388	432
Insurance balances recoverable (net of allowance: 2022 and 2021 — \$5) ( <a href="#">Note 6</a> )	192	213
Funds held by reinsured companies	2,241	2,340
Deferred charge assets	338	371
Other assets	721	620
<b>TOTAL ASSETS</b>	<b>\$ 23,240</b>	<b>\$ 24,429</b>
<b>LIABILITIES</b>		
Losses and loss adjustment expenses ( <a href="#">Note 5</a> )	\$ 10,744	\$ 11,269
Losses and loss adjustment expenses, at fair value ( <a href="#">Note 5</a> and <a href="#">Note 7</a> )	1,764	1,989
Future policyholder benefits	1,436	1,502
Defendant asbestos and environmental liabilities ( <a href="#">Note 6</a> )	631	638
Insurance and reinsurance balances payable	267	254
Debt obligations ( <a href="#">Note 9</a> )	1,904	1,691
Other liabilities	546	581
<b>TOTAL LIABILITIES</b>	<b>17,292</b>	<b>17,924</b>
<b>COMMITMENTS AND CONTINGENCIES</b> ( <a href="#">Note 14</a> )		
<b>REDEEMABLE NONCONTROLLING INTEREST</b> ( <a href="#">Note 10</a> )	181	179
<b>SHAREHOLDERS' EQUITY</b> ( <a href="#">Note 11</a> )		
Ordinary shares (par value \$1 each, issued and outstanding 2022: 18,101,037; 2021: 18,223,574):		
Voting Ordinary shares (issued and outstanding 2022: 16,503,325; 2021: 16,625,862)	17	17
Non-voting convertible ordinary Series C Shares (issued and outstanding 2022 and 2021: 1,192,941)	1	1
Non-voting convertible ordinary Series E Shares (issued and outstanding 2022 and 2021: 404,771)	—	—
Preferred Shares:		
Series C Preferred Shares (issued and held in treasury 2022 and 2021: 388,571)	—	—
Series D Preferred Shares (issued and outstanding 2022 and 2021: 16,000; liquidation preference \$400)	400	400
Series E Preferred Shares (issued and outstanding 2022 and 2021: 4,400; liquidation preference \$110)	110	110
Treasury shares, at cost (Series C Preferred shares 2022 and 2021: 388,571)	(422)	(422)
Joint Share Ownership Plan (voting ordinary shares, held in trust 2022 and 2021: 565,630)	(1)	(1)
Additional paid-in capital	883	922
Accumulated other comprehensive loss	(257)	(16)
Retained earnings	4,803	5,085
Total Enstar Shareholders' Equity	5,534	6,096
Noncontrolling interest ( <a href="#">Note 10</a> )	233	230
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>5,767</b>	<b>6,326</b>
<b>TOTAL LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST AND SHAREHOLDERS' EQUITY</b>	<b>\$ 23,240</b>	<b>\$ 24,429</b>

See accompanying notes to the unaudited condensed consolidated financial statements

**ENSTAR GROUP LIMITED**  
**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)**  
**For the Three Months Ended March 31, 2022 and 2021**

	Three Months Ended March 31,	
	2022	2021
	(expressed in millions of U.S. dollars, except share and per share data)	
<b>INCOME</b>		
Net premiums earned	\$ 34	\$ 93
Net investment income	80	62
Net realized losses	(37)	(11)
Net unrealized losses	(381)	(10)
Other income	14	10
Net gain on sales of subsidiaries	—	15
Total income	<u>(290)</u>	<u>159</u>
<b>EXPENSES</b>		
Net incurred losses and loss adjustment expenses		
Current period	13	54
Prior periods	(143)	(110)
Total net incurred losses and loss adjustment expenses	<u>(130)</u>	<u>(56)</u>
Policyholder benefit expenses	12	—
Acquisition costs	8	34
General and administrative expenses	85	83
Interest expense	25	16
Net foreign exchange losses	3	3
Total expenses	<u>3</u>	<u>80</u>
(LOSS) EARNINGS BEFORE INCOME TAXES	(293)	79
Income tax benefit	—	6
Earnings from equity method investments	31	118
NET (LOSS) EARNINGS	<u>(262)</u>	<u>203</u>
Net earnings attributable to noncontrolling interest	(11)	(11)
NET (LOSS) EARNINGS ATTRIBUTABLE TO ENSTAR	<u>(273)</u>	<u>192</u>
Dividends on preferred shares	(9)	(9)
NET (LOSS) EARNINGS ATTRIBUTABLE TO ENSTAR ORDINARY SHAREHOLDERS	<u>\$ (282)</u>	<u>\$ 183</u>
<b>(Loss) earnings per ordinary share attributable to Enstar:</b>		
Basic	\$ (16.04)	\$ 8.50
Diluted	\$ (16.04)	\$ 8.38
<b>Weighted average ordinary shares outstanding:</b>		
Basic	17,578,019	21,562,341
Diluted	17,785,121	21,852,324

See accompanying notes to the unaudited condensed consolidated financial statements

**ENSTAR GROUP LIMITED**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)**  
**For the Three Months Ended March 31, 2022 and 2021**

	Three Months Ended March 31,	
	2022	2021
	(expressed in millions of U.S. dollars)	
NET (LOSS) EARNINGS	\$ (262)	\$ 203
Other comprehensive loss, net of income taxes:		
Unrealized losses on fixed income available-for-sale investments arising during the period	(281)	(111)
Reclassification adjustment for change in allowance for credit losses recognized in net (loss) earnings	19	12
Reclassification adjustment for net realized loss (gain) included in net (loss) earnings	14	(1)
Reclassification to net earnings on disposal of subsidiary	—	1
Unrealized losses arising during the period, net of reclassification adjustments	(248)	(99)
Change in currency translation adjustment	1	1
Total other comprehensive loss	(247)	(98)
Comprehensive (loss) income	(509)	105
Comprehensive income attributable to noncontrolling interest	(6)	(11)
COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO ENSTAR	\$ (515)	\$ 94

See accompanying notes to the unaudited condensed consolidated financial statements

**ENSTAR GROUP LIMITED**
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)**
**For the Three Months Ended March 31, 2022 and 2021**

	Three Months Ended March 31,	
	2022	2021
	(expressed in millions of U.S. dollars)	
<b>Share Capital — Voting Ordinary Shares</b>		
Balance, beginning and end of period	\$ 17	\$ 19
<b>Share Capital — Non-Voting Convertible Ordinary Series C Shares</b>		
Balance, beginning and end of period	\$ 1	\$ 3
<b>Share Capital — Non-Voting Convertible Ordinary Series E Shares</b>		
Balance, beginning and end of period	\$ —	\$ 1
<b>Share Capital — Series C Convertible Participating Non-Voting Preferred Shares</b>		
Balance, beginning and end of period	\$ —	\$ —
<b>Share Capital — Series D Preferred Shares</b>		
Balance, beginning and end of period	\$ 400	\$ 400
<b>Share Capital — Series E Preferred Shares</b>		
Balance, beginning and end of period	\$ 110	\$ 110
<b>Treasury Shares (Series C Preferred Shares)</b>		
Balance, beginning and end of period	\$ (422)	\$ (422)
<b>Joint Share Ownership Plan — Voting Ordinary Shares, Held in Trust</b>		
Balance, beginning and end of period	\$ (1)	\$ (1)
<b>Additional Paid-in Capital</b>		
Balance, beginning of period	\$ 922	\$ 1,836
Repurchase of voting ordinary shares	(3)	(2)
Shares repurchased	(42)	(4)
Amortization of share-based compensation	6	7
Balance, end of period	\$ 883	\$ 1,837
<b>Accumulated Other Comprehensive Income (Loss)</b>		
Balance, beginning of period	\$ (16)	\$ 81
Cumulative currency translation adjustment		
Balance, beginning of period	9	8
Change in currency translation adjustment	1	1
Balance, end of period	10	9
Defined benefit pension liability		
Balance, beginning and end of period	2	—
Unrealized (losses) gains on available-for-sale investments		
Balance, beginning of period	(27)	73
Change in unrealized losses on available-for-sale investments	(242)	(100)
Balance, end of period	(269)	(27)
Balance, end of period	\$ (257)	\$ (18)
<b>Retained Earnings</b>		
Balance, beginning of period	\$ 5,085	\$ 4,647
Net (loss) earnings	(262)	203
Net earnings attributable to noncontrolling interest	(11)	(11)
Dividends on preferred shares	(9)	(9)
Change in redemption value of redeemable noncontrolling interests	—	1
Balance, end of period	\$ 4,803	\$ 4,831
<b>Noncontrolling Interest (excludes Redeemable Noncontrolling Interest)</b>		
Balance, beginning of period	\$ 230	\$ 14
Change in unrealized losses on available-for-sale investments attributable to noncontrolling interest	(3)	—
Net earnings (loss) attributable to noncontrolling interest	6	(1)
Balance, end of period	\$ 233	\$ 13
<b>Total Shareholders' Equity</b>	\$ 5,767	\$ 6,773

See accompanying notes to the unaudited condensed consolidated financial statements

**ENSTAR GROUP LIMITED**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**
**For the Three Months Ended March 31, 2022 and 2021**

	Three Months Ended March 31,	
	2022	2021
	(expressed in millions of U.S. dollars)	
<b>OPERATING ACTIVITIES:</b>		
Net (loss) earnings	\$ (262)	\$ 203
Adjustments to reconcile net (loss) earnings to cash flows (used in) provided by operating activities:		
Realized losses on sales of investments	37	11
Unrealized losses on investments	381	10
Depreciation and other amortization	17	18
Earnings from equity method investments	(31)	(118)
Sales and maturities of trading securities	779	615
Purchases of trading securities	(970)	(634)
Net gain on sales of subsidiaries	—	(15)
Other	3	2
Changes in:		
Reinsurance balances recoverable on paid and unpaid losses	143	38
Funds held by reinsured companies	100	(27)
Losses and loss adjustment expenses	(728)	837
Defendant asbestos and environmental liabilities	(7)	(15)
Insurance and reinsurance balances payable	12	121
Other operating assets and liabilities	(117)	(238)
Net cash flows (used in) provided by operating activities	<u>(643)</u>	<u>808</u>
<b>INVESTING ACTIVITIES:</b>		
Sales of subsidiaries, net of cash previously held	—	(232)
Sales and maturities of available-for-sale securities	913	835
Purchase of available-for-sale securities	(811)	(1,876)
Purchase of other investments	(712)	(176)
Proceeds from other investments	129	62
Net cash flows used in investing activities	<u>(481)</u>	<u>(1,387)</u>
<b>FINANCING ACTIVITIES:</b>		
Dividends on preferred shares	(9)	(9)
Repurchase of shares	(42)	(4)
Issuance of debt, net of issuance costs	493	20
Repayment of debt	(280)	(30)
Net cash flows provided by (used in) financing activities	<u>162</u>	<u>(23)</u>
EFFECT OF EXCHANGE RATE CHANGES ON FOREIGN CURRENCY CASH AND CASH EQUIVALENTS	5	1
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(957)</u>	<u>(601)</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	<u>2,092</u>	<u>1,373</u>
NET CHANGE IN CASH OF BUSINESSES HELD FOR SALE	—	224
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	<u>\$ 1,135</u>	<u>\$ 996</u>
<b>Supplemental Cash Flow Information:</b>		
Income taxes paid, net of refunds	\$ 4	\$ 2
Interest paid	\$ 24	\$ 19
<b>Reconciliation to Condensed Consolidated Balance Sheets:</b>		
Cash and cash equivalents	763	563
Restricted cash and cash equivalents	372	433
Cash, cash equivalents and restricted cash	<u>\$ 1,135</u>	<u>\$ 996</u>

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In addition to the cash flows presented above, for the three months ended March 31, 2021, our non-cash investing activities included: the receipt of other investments as consideration totaling \$52 million; unsettled purchases and sales of AFS and other investments of \$103 million and \$9 million, respectively; and contributions of \$481 million to other investments, fully funded through the redemption of other investments totaling \$381 million and a \$100 million reduction in investment fees.

For the three months ended March 31, 2021 our non-cash financing activities included distributions to redeemable noncontrolling interest ("RNCI") totaling \$202 million and the issuance of 89,590 shares following the exercise of 175,901 warrants on a non-cash basis.

For the three months ended March 31, 2022, our non-cash investing activities included unsettled purchases and sales of AFS and other investments of \$33 million and \$4 million respectively.

See accompanying notes to the unaudited condensed consolidated financial statements

## **ENSTAR GROUP LIMITED**

### **NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

#### **1. BASIS OF PRESENTATION**

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Enstar Group Limited ("Enstar") is a leading global (re)insurance group that offers innovative capital release solutions through its network of group companies. Our core focus is acquiring and managing (re)insurance companies and portfolios of (re)insurance business in run-off.

These unaudited condensed consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and in conformity with the instructions to Form 10-Q and Article 10 of Regulation S-X of the Rules and Regulations of the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the financial information and note disclosures required by U.S. GAAP for complete consolidated financial statements.

In the opinion of management, these unaudited condensed consolidated financial statements reflect all adjustments, that are normal and recurring in nature, necessary for fair financial statement presentation. All intercompany accounts and transactions have been eliminated and certain comparative information has been reclassified to conform to the current presentation.

The results of operations for any interim period are not necessarily indicative of results for the full year. These unaudited condensed consolidated financial statements and related notes should be read in conjunction with the consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2021.

## 2. SEGMENT INFORMATION

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Our segment structure is aligned with how our chief operating decision maker ("CODM"), who was determined to be our Chief Executive Officer, views our business, assesses performance and allocates resources to our business components. Our business is organized into four reportable segments: (i) Run-off; (ii) Enhanced Re; (iii) Investments; and (iv) Legacy Underwriting. In addition, our corporate and other activities, which do not qualify as an operating segment, include income and expense items that are not directly attributable to our reportable segments.

Our assets are reviewed on a consolidated basis by management for decision making purposes since they support business operations across all of our four reportable segments as well as our corporate and other activities. We do not allocate assets to our reportable segments with the exception of (re)insurance balances recoverable on paid and unpaid losses and goodwill that are directly attributable to our reportable segments.

The following tables set forth select unaudited condensed consolidated statement of earnings results by segment and our corporate and other activities:

	<b>Three Months Ended</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
	<b>(in millions of U.S. dollars)</b>	
<b>Income</b>		
Run-off	\$ 27	\$ 95
Enhanced Re	14	—
Investments	(336)	41
Legacy Underwriting	2	13
Subtotal	(293)	149
Corporate and other	3	10
<b>Total income</b>	<b>\$ (290)</b>	<b>\$ 159</b>
<b>Earnings from equity method investments</b>		
Investments	<b>\$ 31</b>	<b>\$ 118</b>
<b>Segment net earnings (loss)</b>		
Run-off <sup>(1)</sup>	\$ 19	\$ 33
Enhanced Re	29	—
Investments <sup>(1)</sup>	(314)	156
Legacy Underwriting	—	2
<b>Total segment net (loss) earnings</b>	<b>(266)</b>	<b>191</b>
Corporate and other:		
Other income (expense) <sup>(2)</sup>	3	(5)
Net gain on sale of subsidiaries	—	15
Net incurred losses and loss adjustment expenses (“LAE”) <sup>(3)</sup>	63	65
General and administrative expenses <sup>(1)</sup>	(34)	(50)
Interest expense	(25)	(16)
Net foreign exchange losses	(3)	(3)
Income tax expense	—	6
Net earnings attributable to noncontrolling interest	(11)	(11)
Dividends on preferred shares	(9)	(9)
<b>Total - Corporate and other <sup>(1)</sup></b>	<b>(16)</b>	<b>(8)</b>
<b>Net (loss) earnings attributable to Enstar Ordinary Shareholders</b>	<b>(282)</b>	<b>\$ 183</b>

<sup>(1)</sup> We refined our approach to our general and administrative expense allocations in the second quarter of 2021. Under the revised methodology, our first quarter 2021 general and administrative expenses for the Run-off and Investments segments would have increased by \$16 million and \$3 million, respectively, and our corporate and other activities would have decreased by \$19 million.

<sup>(2)</sup> Other income (expense) for corporate and other activities includes the amortization of fair value adjustments associated with the acquisition of DCo LLC (“DCo”) and Morse TEC LLC (“Morse TEC”).

<sup>(3)</sup> Net incurred losses and LAE for corporate and other activities includes the amortization of deferred charge assets (“DCAs”) on retroactive reinsurance contracts, fair value adjustments associated with the acquisition of companies and the changes interest components of the fair value of assets and liabilities related to our assumed retroactive reinsurance contracts for which we have elected the fair value option. The three months ended March 31, 2022 included accelerated amortization of \$24 million corresponding to increased favorable prior period development (“PPD”) on net ultimate liabilities recorded in our Run-off segment. There was no accelerated amortization for the three months ended March 31, 2021.

### 3. INVESTMENTS

We hold:

- i. trading portfolios of short-term and fixed maturity investments and equities, carried at fair value;
- ii. AFS portfolios of short-term and fixed maturity investments, carried at fair value;
- iii. other investments, including equities, carried at fair value;
- iv. equity method investments; and
- v. funds held - directly managed.

#### Short-term and Fixed Maturity Investments

##### Asset Types

The fair values of the following underlying asset categories are set out below:

	March 31, 2022					
	Short-term investments, trading	Short-term investments, AFS	Fixed maturities, trading	Fixed maturities, AFS	Fixed maturities, funds held - directly managed	Total
	(in millions of U.S. dollars)					
U.S. government and agency	\$ 5	\$ 47	\$ 90	\$ 393	\$ 151	\$ 686
U.K. government	—	1	71	9	—	81
Other government	2	1	235	147	215	600
Corporate <sup>(1)</sup>	—	9	2,298	3,163	757	6,227
Municipal	—	—	71	117	65	253
Residential mortgage-backed	—	—	87	344	106	537
Commercial mortgage-backed	—	—	223	575	245	1,043
Asset-backed	—	1	172	520	89	782
Structured products	—	—	—	—	986	986
Total fixed maturity and short-term investments	<u>\$ 7</u>	<u>\$ 59</u>	<u>\$ 3,247</u>	<u>\$ 5,268</u>	<u>\$ 2,614</u>	<u>\$ 11,195</u>

<sup>(1)</sup> Includes convertible bonds of \$205 million, which includes embedded derivatives of \$41 million.

	December 31, 2021					
	Short-term investments, trading	Short-term investments, AFS	Fixed maturities, trading	Fixed maturities, AFS	Fixed maturities, funds held - directly managed	Total
	(in millions of U.S. dollars)					
U.S. government and agency	\$ 3	\$ 25	\$ 102	\$ 434	\$ 183	\$ 747
U.K. government	—	—	73	10	—	83
Other government	3	—	285	128	247	663
Corporate <sup>(1)</sup>	—	8	2,660	3,350	796	6,814
Municipal	—	—	85	128	73	286
Residential mortgage-backed	—	—	104	391	115	610
Commercial mortgage-backed	—	—	250	562	262	1,074
Asset-backed	—	1	197	649	97	944
Structured Products	—	—	—	—	1,033	1,033
Total fixed maturity and short-term investments	<u>\$ 6</u>	<u>\$ 34</u>	<u>\$ 3,756</u>	<u>\$ 5,652</u>	<u>\$ 2,806</u>	<u>\$ 12,254</u>

<sup>(1)</sup> Includes convertible bonds of \$223 million, which includes embedded derivatives of \$43 million.

Included within residential and commercial mortgage-backed securities as of March 31, 2022 were securities issued by U.S. governmental agencies with a fair value of \$404 million (December 31, 2021: \$460 million).

**Contractual Maturities**

The contractual maturities of our short-term and fixed maturity investments, classified as trading and AFS and the fixed maturity investments included within our funds held - directly managed balance are shown below. Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties.

As of March 31, 2022	Amortized Cost	Fair Value	% of Total Fair Value
	(in millions of U.S. dollars)		
One year or less	\$ 381	\$ 382	3.4 %
More than one year through five years	3,273	3,218	28.7 %
More than five years through ten years	2,511	2,373	21.2 %
More than ten years	3,053	2,860	25.6 %
Residential mortgage-backed	558	537	4.8 %
Commercial mortgage-backed	1,084	1,043	9.3 %
Asset-backed	793	782	7.0 %
	<u>\$ 11,653</u>	<u>\$ 11,195</u>	<u>100.0 %</u>

**Unrealized Gains and Losses on AFS Short-term and Fixed Maturity Investments**

The amortized cost, unrealized gains and losses, allowance for credit losses and fair values of our short-term and fixed maturity investments classified as AFS were as follows:

As of March 31, 2022	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses		Fair Value
			Non-Credit Related Losses	Allowance for Credit Losses	
	(in millions of U.S. dollars)				
U.S. government and agency	\$ 458	\$ —	\$ (18)	\$ —	\$ 440
U.K. government	11	—	(1)	—	10
Other government	151	1	(4)	—	148
Corporate	3,391	12	(202)	(29)	3,172
Municipal	128	—	(11)	—	117
Residential mortgage-backed	363	—	(19)	—	344
Commercial mortgage-backed	605	1	(31)	—	575
Asset-backed	527	—	(6)	—	521
	<u>\$ 5,634</u>	<u>\$ 14</u>	<u>\$ (292)</u>	<u>\$ (29)</u>	<u>\$ 5,327</u>

As of December 31, 2021	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses		Fair Value
			Non-Credit Related Losses	Allowance for Credit Losses	
	(in millions of U.S. dollars)				
U.S. government and agency	\$ 463	\$ 1	\$ (5)	\$ —	\$ 459
U.K. government	10	—	—	—	10
Other government	127	2	(1)	—	128
Corporate	3,384	29	(45)	(10)	3,358
Municipal	129	1	(2)	—	128
Residential mortgage-backed	394	1	(4)	—	391
Commercial mortgage-backed	566	3	(7)	—	562
Asset-backed	650	1	(1)	—	650
	<u>\$ 5,723</u>	<u>\$ 38</u>	<u>\$ (65)</u>	<u>\$ (10)</u>	<u>\$ 5,686</u>

**Gross Unrealized Losses on AFS Short-term and Fixed Maturity Investments**

The following tables summarize our short-term and fixed maturity investments classified as AFS that were in a gross unrealized loss position, for which an allowance for credit losses has not been recorded:

As of March 31, 2022	12 Months or Greater		Less Than 12 Months		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(in millions of U.S. dollars)					
U.S. government and agency	\$ 73	\$ (5)	\$ 363	\$ (13)	\$ 436	\$ (18)
U.K. government	—	—	2	—	2	—
Other government	—	—	56	(1)	56	(1)
Corporate	22	(2)	766	(25)	788	(27)
Municipal	2	—	51	(5)	53	(5)
Residential mortgage-backed	48	(4)	285	(15)	333	(19)
Commercial mortgage-backed	80	(8)	437	(22)	517	(30)
Asset-backed	29	—	446	(6)	475	(6)
Total short-term and fixed maturity investments	<u>\$ 254</u>	<u>\$ (19)</u>	<u>\$ 2,406</u>	<u>\$ (87)</u>	<u>\$ 2,660</u>	<u>\$ (106)</u>

As of December 31, 2021	12 Months or Greater		Less Than 12 Months		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(in millions of U.S. dollars)					
U.S. government and agency	\$ 22	\$ (1)	\$ 373	\$ (4)	\$ 395	\$ (5)
U.K. government	—	—	5	—	5	—
Other government	—	—	46	(1)	46	(1)
Corporate	11	—	1,545	(19)	1,556	(19)
Municipal	—	—	77	(2)	77	(2)
Residential mortgage-backed	6	—	315	(4)	321	(4)
Commercial mortgage-backed	21	(1)	419	(6)	440	(7)
Asset-backed	—	—	516	(1)	516	(1)
Total short-term and fixed maturity investments	<u>\$ 60</u>	<u>\$ (2)</u>	<u>\$ 3,296</u>	<u>\$ (37)</u>	<u>\$ 3,356</u>	<u>\$ (39)</u>

As of March 31, 2022 and December 31, 2021, the number of securities classified as AFS in an unrealized loss position for which an allowance for credit loss is not recorded was 2,937 and 2,930, respectively. Of these securities, the number of securities that had been in an unrealized loss position for twelve months or longer was 255 and 93, respectively.

**Allowance for Credit Losses on AFS Fixed Maturity Investments**

The following tables provide a reconciliation of the beginning and ending allowance for credit losses on our AFS debt securities:

	Three Months Ended March 31, 2022		Three Months Ended March 31, 2021		
	Corporate	Total	Corporate	Commercial mortgage backed	Total
	(in millions of U.S. dollars)				
Allowance for credit losses, beginning of period	\$ (10)	\$ (10)	\$ —	\$ —	\$ —
Allowances for credit losses on securities for which credit losses were not previously recorded	(19)	(19)	(12)	(1)	(13)
Allowance for credit losses, end of period	<u>\$ (29)</u>	<u>\$ (29)</u>	<u>\$ (12)</u>	<u>\$ (1)</u>	<u>\$ (13)</u>

During the three months ended March 31, 2022 and 2021 we did not have any write-offs charged against the allowance for credit losses or any recoveries of amounts previously written-off.

**Equity Investments**

The following table summarizes our equity investments classified as trading:

	March 31, 2022	December 31, 2021
	(in millions of U.S. dollars)	
Publicly traded equity investments in common and preferred stocks	\$ 387	\$ 281
Exchange-traded funds	1,682	1,342
Privately held equity investments in common and preferred stocks	375	372
	<u>\$ 2,444</u>	<u>\$ 1,995</u>

**Other Investments**

The following table summarizes our other investments carried at fair value:

	March 31, 2022	December 31, 2021
	(in millions of U.S. dollars)	
Hedge funds	\$ 315	\$ 291
Fixed income funds	656	573
Private equity funds	1,068	752
Private credit funds	296	275
Equity funds	4	5
CLO equity funds	234	207
CLO equities	156	161
Real estate funds	134	69
	<u>\$ 2,863</u>	<u>\$ 2,333</u>

The table below details the estimated period by which proceeds would be received if we had provided notice of our intent to redeem or initiated a sales process with respect to our other investments as of March 31, 2022:

	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Not Eligible/ Restricted	Total	Redemption Frequency
	(in millions of U.S. dollars)						
Hedge funds	\$ 315	\$ —	\$ —	\$ —	\$ —	\$ 315	Monthly to Quarterly
Fixed income funds	604	—	—	—	52	656	Daily to Quarterly
Private equity funds	—	54	—	—	1,014	1,068	Quarterly for unrestricted amount
Private credit funds	—	—	—	—	296	296	N/A
Equity funds	4	—	—	—	—	4	Daily
CLO equity funds	154	48	31	—	1	234	Quarterly to Bi-annually
CLO equities	156	—	—	—	—	156	Daily
Real estate funds	—	—	—	—	134	134	N/A
	<u>\$ 1,233</u>	<u>\$ 102</u>	<u>\$ 31</u>	<u>\$ —</u>	<u>\$ 1,497</u>	<u>\$ 2,863</u>	

As of March 31, 2022, none of our investments were subject to gates or side-pockets.

## Funds Held

### Funds Held - Directly Managed

The following table summarizes the components of the funds held - directly managed:

	March 31, 2022		December 31, 2021
	(in millions of U.S. dollars)		
Short-term and fixed maturity investments, trading	\$ 2,614	\$	2,806
Cash and cash equivalents	211		188
Other assets	10		13
	<u>\$ 2,835</u>	<u>\$</u>	<u>3,007</u>

The following table summarizes the short-term and fixed maturity investment components of funds held - directly managed:

	March 31, 2022		December 31, 2021
	(in millions of U.S. dollars)		
Short-term and fixed maturity investments, at amortized cost	\$ 2,719	\$	2,815
Net unrealized (losses) gains:			
Change in fair value - embedded derivatives	(69)		14
Change in fair value <sup>(1)</sup>	(36)		(23)
Short-term and fixed maturity investments within funds held - directly managed, at fair value	<u>\$ 2,614</u>	<u>\$</u>	<u>2,806</u>

<sup>(1)</sup> Is clearly and closely related to the host contract.

Refer to the sections above for details of the short-term and fixed maturity investments within our funds held - directly managed portfolios.

### Funds Held by Reinsured Companies

As of March 31, 2022 and December 31, 2021, we had funds held by reinsured companies of \$2.2 billion and \$2.3 billion, respectively.

### Net Investment Income

Major categories of net investment income are summarized as follows:

	Three Months Ended March 31,	
	Three Months Ended	
	March 31,	
	2022	2021
	(in millions of U.S. dollars)	
Fixed maturity investments	\$ 52	\$ 45
Funds held	11	—
Funds held - directly managed	9	7
Investment income from fixed maturities and cash and cash equivalents	72	52
Equity investments	8	4
Other investments	11	9
Investment income from equities and other investments	19	13
Gross investment income	91	65
Investment expenses	(11)	(3)
Net investment income	<u>\$ 80</u>	<u>\$ 62</u>

**Net Realized and Unrealized Gains (Losses)**

Components of net realized and unrealized gains (losses) were as follows:

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2022</b>	<b>2021</b>
	<b>(in millions of U.S. dollars)</b>	
Net realized gains (losses) on sales:		
Gross realized gains on fixed maturity securities, AFS	\$ 2	\$ 5
Gross realized losses on fixed maturity securities, AFS	(18)	(4)
Increase in allowance for expected credit losses on fixed maturity securities, AFS	(19)	(12)
Net losses recognized on equity securities sold during the period	(2)	—
Total net realized losses on sales	<u>\$ (37)</u>	<u>\$ (11)</u>
Net unrealized (losses) gains:		
Fixed maturity securities, trading	\$ (223)	\$ (151)
Fixed maturity securities in funds held - directly managed	(76)	(44)
Net unrealized (losses) gains recognized on equity securities still held at the reporting date	(42)	29
Other investments	(40)	156
Total net unrealized losses	<u>\$ (381)</u>	<u>\$ (10)</u>
Net realized and unrealized losses	<u>\$ (418)</u>	<u>\$ (21)</u>

The gross realized gains and losses on AFS investments for the three months ended March 31, 2022 and 2021 included in the table above resulted from sales of \$760 million and \$717 million, respectively.

Net recognized gains and losses on fixed maturity trading and the fixed maturities within our funds held-directly managed are presented within net unrealized losses in the table above. This is a change to our previous presentation which split recognized gains (losses) between net realized losses on sale and net unrealized losses. This change resulted in a revision to the presentation of realized losses and losses on sale of investments and unrealized losses on investments within the consolidated statements of cash flows for the three months ended March 31, 2021 (with no impact to net earnings).

**Restricted Assets**

The carrying value of our restricted assets, including restricted cash of \$372 million and \$446 million, as of March 31, 2022 and December 31, 2021, respectively, was as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
	<b>(in millions of U.S. dollars)</b>	
Collateral in trust for third party agreements	\$ 5,671	\$ 6,100
Assets on deposit with regulatory authorities	182	196
Collateral for secured letter of credit facilities	94	94
Funds at Lloyd's ("FAL") <sup>(1)</sup>	379	431
	<u>\$ 6,326</u>	<u>\$ 6,821</u>

<sup>(1)</sup> Our businesses include two Lloyd's syndicates. Lloyd's determines the required capital principally through the annual business plan of each syndicate. This capital is referred to as FAL and will be drawn upon in the event that a syndicate has a loss that cannot be funded from other sources. We also utilize unsecured letters of credit for a significant portion of our FAL.

## 4. DERIVATIVES AND HEDGING INSTRUMENTS

We use derivative instruments in our risk management strategies and investment operations.

Foreign currency forward exchange rate contracts are used in qualifying hedging relationships to hedge the foreign currency exchange rate risk associated with certain of our net investments in foreign operations.

We also utilize foreign currency forward contracts in non-qualifying hedging relationships as part of our overall foreign currency risk management strategy or to obtain exposure to a particular financial market, as well as for yield enhancement and collectively managing credit and duration risk.

From time to time we may also utilize credit default swaps to both hedge and replicate credit exposure and government bond futures contracts for interest rate management.

The following table presents the gross notional amounts and estimated fair values of our derivatives recorded within other assets and liabilities on the consolidated balance sheets as of March 31, 2022 and December 31, 2021:

	March 31, 2022			December 31, 2021		
	Gross Notional Amount	Fair Value		Gross Notional Amount	Fair Value	
		Assets	Liabilities		Assets	Liabilities
(in millions of U.S. dollars)						
<b>Derivatives designated as hedging instruments</b>						
Foreign currency forward contracts	\$ 604	\$ 15	\$ 2	\$ 618	\$ —	\$ 7
<b>Derivatives not designated as hedging instruments</b>						
Foreign currency forward contracts	263	1	5	498	2	—
Others	1	—	—	17	—	10
Total	<u>\$ 868</u>	<u>\$ 16</u>	<u>\$ 7</u>	<u>\$ 1,133</u>	<u>\$ 2</u>	<u>\$ 17</u>

The following table presents the net gains and losses deferred in the cumulative translation adjustment account, which is a component of AOCI in shareholders' equity, relating to our qualifying hedges and the net gains and losses included in earnings relating to our non-qualifying hedges for the three months ended March 31, 2022 and 2021:

	Amount of Net Gains (Losses)	
	Three Months Ended	
	March 31, 2022	March 31, 2021
(in millions of U.S. dollars)		
<b>Derivatives designated as hedging instruments</b>		
Foreign currency forward contracts	\$ 14	\$ 7
<b>Derivatives not designated as hedging instruments</b>		
Foreign currency forward contracts	(4)	(2)

## 5. LOSSES AND LOSS ADJUSTMENT EXPENSES

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The liability for losses and LAE, also referred to as loss reserves, represents our gross estimates before reinsurance for unpaid reported losses (Outstanding Loss Reserves, or "OLR") and includes losses that have been incurred but not yet reported ("IBNR") using a variety of actuarial methods. We recognize an asset for the portion of the liability that we expect to recover from reinsurers. LAE reserves include allocated LAE ("ALAE") and unallocated LAE ("ULAE"). ALAE are linked to the settlement of an individual claim or loss, whereas ULAE are based on our estimates of future costs to administer the claims. IBNR includes amounts for unreported claims, development on known claims and reopened claims.

Our loss reserves cover multiple lines of business, including asbestos, environmental, general casualty, workers' compensation, marine, aviation and transit, construction defect, professional indemnity/directors and officers, motor, property and other non-life lines of business.

**Item 1 | Notes to Consolidated Financial Statements | Note 5. Losses and Loss Adjustment Expenses**

The table below provides a consolidated reconciliation of the beginning and ending liability for losses and LAE:

	Three Months Ended	
	March 31, 2022	March 31, 2021
	(in millions of U.S. dollars)	
<b>Balance as of January 1</b>	<b>\$ 13,258</b>	<b>\$ 10,593</b>
Reinsurance reserves recoverable <sup>(1)</sup>	(1,332)	(1,830)
Deferred charge assets ("DCAs") on retroactive reinsurance	(371)	(219)
<b>Net balance as of January 1</b>	<b>11,555</b>	<b>8,544</b>
Net incurred losses and LAE:		
Current period:		
Increase in estimates of net ultimate losses	13	53
Increase in provisions for ULAE	—	1
Total current period	13	54
Prior periods:		
Reduction in estimates of net ultimate losses	(58)	(31)
Reduction in provisions for ULAE	(22)	(14)
Amortization of DCAs	33	8
Amortization of fair value adjustments	2	2
Changes in fair value - fair value option <sup>(2)</sup>	(98)	(75)
Total prior periods	(143)	(110)
<b>Total net incurred losses and LAE</b>	<b>(130)</b>	<b>(56)</b>
Net paid losses:		
Current period	—	(6)
Prior periods	(418)	(336)
<b>Total net paid losses</b>	<b>(418)</b>	<b>(342)</b>
Other changes:		
Effect of exchange rate movement	(45)	(9)
Assumed business <sup>(3)</sup>	—	1,078
<b>Total other changes</b>	<b>(45)</b>	<b>1,069</b>
<b>Net balance as of March 31</b>	<b>10,962</b>	<b>9,215</b>
Reinsurance reserves recoverable <sup>(1)</sup>	1,208	1,870
DCAs on retroactive reinsurance	338	342
<b>Balance as of March 31</b>	<b>\$ 12,508</b>	<b>\$ 11,427</b>
	As of	
	March 31, 2022	December 31, 2021
	(in millions of U.S. dollars)	
<b>Reconciliation to Consolidated Balance Sheets:</b>		
Losses and loss adjustment expenses	\$ 10,744	\$ 11,269
Losses and loss adjustment expenses, at fair value	1,764	1,989
<b>Total losses and loss adjustment expenses</b>	<b>\$ 12,508</b>	<b>\$ 13,258</b>
Reinsurance balances recoverable on paid and unpaid losses	\$ 983	\$ 1,085
Reinsurance balances recoverable on paid and unpaid losses - fair value option	388	432
Total reinsurance balances recoverable on paid and unpaid losses	1,371	1,517
Paid losses recoverable	(163)	(185)
<b>Reinsurance reserves recoverable <sup>(1)</sup></b>	<b>\$ 1,208</b>	<b>\$ 1,332</b>

<sup>(1)</sup> Excludes paid losses recoverable.

<sup>(2)</sup> Comprises discount rate and risk margin components.

<sup>(3)</sup> Assumed business for the three months ended March 31, 2021 is net of DCAs of \$131 million.

**PPD**
**Reduction in Estimates of Net Ultimate Losses**

The following table summarizes the reduction in estimates of net ultimate losses related to prior years by segment and line of business:

	<b>Three Months Ended</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
	<b>(in millions of U.S. dollars)</b>	
Run-off segment:		
Asbestos	\$ 1	\$ —
Environmental	(2)	—
General casualty	(1)	—
Workers' compensation	(34)	(11)
Marine, aviation and transit	1	(8)
Construction defect	(4)	—
Professional indemnity/Directors and Officers	(3)	(4)
Property	13	(3)
All Other	—	1
Total Run-off segment	<u>(29)</u>	<u>(25)</u>
Total Enhanced Re segment	(28)	—
Total Legacy Underwriting segment	(1)	(6)
Total	<u>\$ (58)</u>	<u>\$ (31)</u>

**Three Months Ended March 31, 2022:**

The reduction in estimates of net ultimate losses of \$58 million related to prior periods was primarily driven by the Run-off and Enhanced Re segments.

The Run-off segment experienced favorable PPD of \$29 million which was primarily driven by the workers' compensation line of business as a result of favorable loss activity in the period, partially offset by adverse PPD in the property lines of business due to unfavorable loss emergence relating to construction risks.

The Enhanced Re segment experienced favorable PPD of \$28 million primarily due to a settlement agreement that capped our COVID-19 losses on the property excess of loss (catastrophe) business.

**Three Months Ended March 31, 2021:**

The reduction in estimates of net ultimate losses of \$31 million related to prior periods was primarily driven by the Run-off segment which experienced continued favorable loss emergence relative to our expectations in our workers' compensation and marine, aviation and transit lines of business as well as detailed claims reviews across a number of portfolios, including our Lloyd's syndicate. The combination of loss emergence experience and claims management has led to favorable actual versus expected experience on those books of business.

**Changes in Fair Value - Fair Value Option**
**Three Months Ended March 31, 2022 and 2021:**

PPD was favorably impacted by changes in the fair value of liabilities for which we have elected the fair value option of \$98 million and \$75 million for the three months ended March 31, 2022 and 2021, respectively, which was primarily driven by increases in corporate bond yields in 2022 and 2021.

## 6. DEFENDANT ASBESTOS AND ENVIRONMENTAL LIABILITIES

The carrying value of the defendant asbestos and environmental liabilities (“defendant A&E liabilities”), insurance recoveries, future estimated expenses and the fair value adjustments related to DCo and Morse TEC were as follows:

	March 31, 2022	December 31, 2021
	(in millions of U.S. dollars)	
<b>Defendant A&amp;E liabilities:</b>		
Defendant asbestos liabilities	\$ 817	\$ 826
Defendant environmental liabilities	11	11
Estimated future expenses	37	37
Fair value adjustments	(234)	(236)
Defendant A&E liabilities	<u>631</u>	<u>638</u>
<b>Insurance balances recoverable:</b>		
Insurance recoverables related to defendant asbestos liabilities (net of allowance: 2022 and 2021 - \$5)	242	264
Fair value adjustments	(50)	(51)
Insurance balances recoverable	<u>192</u>	<u>213</u>
Net liabilities relating to defendant A&E exposures	<u>\$ 439</u>	<u>\$ 425</u>

The table below provides a consolidated reconciliation of the beginning and ending liability for defendant A&E liabilities:

	Three Months Ended March 31,	
	2022	2021
	(in millions of U.S. dollars)	
<b>Balance as of January 1</b>	\$ 638	\$ 706
Insurance balances recoverable	(213)	(250)
<b>Net balance as of January 1</b>	<u>425</u>	<u>456</u>
Total net recoveries (paid claims)	16	(5)
Amounts recorded in other income:		
Reduction in estimates of ultimate net liabilities	(3)	(9)
Reduction in estimated future expenses	—	(3)
Amortization of fair value adjustments	1	5
Total other expense	<u>(2)</u>	<u>(7)</u>
<b>Net balance as of March 31</b>	439	444
Insurance balances recoverable	192	248
<b>Balance as of March 31</b>	<u>\$ 631</u>	<u>\$ 692</u>

## 7. FAIR VALUE MEASUREMENTS

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### Fair Value Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants. We use a fair value hierarchy that gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. The hierarchy is broken down into three levels as follows:

- Level 1 - Valuations based on unadjusted quoted prices in active markets that we have the ability to access for identical assets or liabilities. Valuation adjustments and block discounts are not applied to Level 1 instruments.
- Level 2 - Valuations based on quoted prices in active markets for similar assets or liabilities, quoted prices for identical assets or liabilities in inactive markets, or significant inputs that are observable (e.g. interest rates, yield curves, prepayment speeds, default rates, loss severities, etc.) or can be corroborated by observable market data.
- Level 3 - Valuations based on unobservable inputs where there is little or no market activity. Unadjusted third party pricing sources or management's assumptions and internal valuation models may be used to determine the fair values.

In addition, certain of our other investments are measured using net asset value ("NAV") per share (or its equivalent) as a practical expedient and have not been classified within the fair value hierarchy above.

There have been no material changes in our valuation techniques during the period represented by these condensed consolidated financial statements.

We have categorized our assets and liabilities that are recorded at fair value on a recurring basis among levels based on the observability of inputs, or measured using NAV per share (or its equivalent) as follows:

## Item 1 | Notes to Consolidated Financial Statements | Note 7. Fair Value Measurements

	March 31, 2022				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Measured Using NAV as Practical Expedient	Total Fair Value
	(in millions of U.S. dollars)				
<b>Investments:</b>					
Short-term and fixed maturity investments:					
U.S. government and agency	\$ —	\$ 686	\$ —	\$ —	\$ 686
U.K. government	—	81	—	—	81
Other government	—	600	—	—	600
Corporate	—	6,227	—	—	6,227
Municipal	—	253	—	—	253
Residential mortgage-backed	—	537	—	—	537
Commercial mortgage-backed	—	1,043	—	—	1,043
Asset-backed	—	782	—	—	782
Structured products	—	986	—	—	986
	<u>\$ —</u>	<u>\$ 11,195</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 11,195</u>
Other assets included within funds held - directly managed	\$ —	\$ 221	\$ —	\$ —	\$ 221
Equities:					
Publicly traded equity investments	\$ 342	\$ 45	\$ —	\$ —	\$ 387
Exchange-traded funds	1,682	—	—	—	1,682
Privately held equity investments	—	—	345	30	375
	<u>\$ 2,024</u>	<u>\$ 45</u>	<u>\$ 345</u>	<u>\$ 30</u>	<u>\$ 2,444</u>
Other investments:					
Hedge funds	\$ —	\$ —	\$ —	\$ 315	\$ 315
Fixed income funds	—	190	—	466	656
Equity funds	—	4	—	—	4
Private equity funds	—	—	—	1,068	1,068
CLO equities	—	156	—	—	156
CLO equity funds	—	—	—	234	234
Private credit funds	—	—	—	296	296
Real estate debt fund	—	—	—	134	134
	<u>\$ —</u>	<u>\$ 350</u>	<u>\$ —</u>	<u>\$ 2,513</u>	<u>\$ 2,863</u>
Total Investments	<u>\$ 2,024</u>	<u>\$ 11,811</u>	<u>\$ 345</u>	<u>\$ 2,543</u>	<u>\$ 16,723</u>
<b>Cash and cash equivalents</b>	<u>\$ 152</u>	<u>\$ 137</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 289</u>
<b>Reinsurance balances recoverable on paid and unpaid losses:</b>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 388</u>	<u>\$ —</u>	<u>\$ 388</u>
<b>Other Assets:</b>					
Derivatives qualifying as hedging	\$ —	\$ 15	\$ —	\$ —	\$ 15
Derivatives not qualifying as hedging	—	1	—	—	1
Derivative instruments	<u>\$ —</u>	<u>\$ 16</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 16</u>
<b>Losses and LAE:</b>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,764</u>	<u>\$ —</u>	<u>\$ 1,764</u>
<b>Other Liabilities:</b>					
Derivatives qualifying as hedging	\$ —	\$ 2	\$ —	\$ —	\$ 2
Derivatives not qualifying as hedging	—	5	—	—	5
Derivative instruments	<u>\$ —</u>	<u>\$ 7</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 7</u>

## Item 1 | Notes to Consolidated Financial Statements | Note 7. Fair Value Measurements

	December 31, 2021				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Measured Using NAV as Practical Expedient	Total Fair Value
	(in millions of U.S. dollars)				
<b>Investments:</b>					
Short-term and fixed maturity investments:					
U.S. government and agency	\$ —	\$ 747	\$ —	\$ —	\$ 747
U.K government	—	83	—	—	83
Other government	—	663	—	—	663
Corporate	—	6,814	—	—	6,814
Municipal	—	286	—	—	286
Residential mortgage-backed	—	610	—	—	610
Commercial mortgage-backed	—	1,074	—	—	1,074
Asset-backed	—	944	—	—	944
Structured products	—	1,033	—	—	1,033
	—	12,254	—	—	12,254
Other assets included within funds held - directly managed	\$ —	\$ 201	\$ —	\$ —	\$ 201
Equities:					
Publicly traded equity investments	\$ 239	\$ 42	\$ —	\$ —	\$ 281
Exchange-traded funds	1,342	—	—	—	1,342
Privately held equity investments	—	—	347	25	372
	\$ 1,581	\$ 42	\$ 347	\$ 25	\$ 1,995
Other investments:					
Hedge funds	\$ —	\$ —	\$ —	\$ 291	\$ 291
Fixed income funds	—	231	—	342	573
Equity funds	—	5	—	—	5
Private equity funds	—	—	—	752	752
CLO equities	—	161	—	—	161
CLO equity funds	—	—	—	207	207
Private credit funds	—	—	—	275	275
Real estate debt fund	—	—	—	69	69
	\$ —	\$ 397	\$ —	\$ 1,936	\$ 2,333
Total Investments	\$ 1,581	\$ 12,894	\$ 347	\$ 1,961	\$ 16,783
<b>Cash and cash equivalents</b>	\$ 1,295	\$ 112	\$ —	\$ —	\$ 1,407
<b>Reinsurance balances recoverable on paid and unpaid losses:</b>	\$ —	\$ —	\$ 432	\$ —	\$ 432
<b>Other Assets:</b>					
Derivatives not qualifying as hedging	—	2	—	—	2
Derivative instruments	\$ —	\$ 2	\$ —	\$ —	\$ 2
	\$ —	\$ —	\$ 1,989	\$ —	\$ 1,989
<b>Losses and LAE:</b>					
	\$ —	\$ —	\$ 1,989	\$ —	\$ 1,989
<b>Other Liabilities:</b>					
Derivatives qualifying as hedging	\$ —	\$ 7	\$ —	\$ —	\$ 7
Derivatives not qualifying as hedging	—	10	—	—	10
Derivative instruments	\$ —	\$ 17	\$ —	\$ —	\$ 17

### Level 3 Measurements and Changes in Leveling

Transfers into or out of levels are recorded at their fair values as of the end of the reporting period, consistent with the date of determination of fair value.

### Investments

The following tables present a reconciliation of the beginning and ending balances for all investments measured at fair value on a recurring basis using Level 3 inputs:

	Three Months Ended March 31, 2022		Three Months Ended March 31, 2021		
	Privately-held Equities	Total	Privately-held Equities	Other Investments	Total
	(in millions of U.S. dollars)				
Beginning fair value	\$ 347	\$ 347	\$ 275	\$ 10	\$ 285
Purchases	—	—	57	—	57
Total unrealized losses <sup>(1)</sup>	(2)	(2)	(2)	—	(2)
Ending fair value	<u>\$ 345</u>	<u>\$ 345</u>	<u>\$ 330</u>	<u>\$ 10</u>	<u>\$ 340</u>

<sup>(1)</sup> Net unrealized losses included in our condensed consolidated statements of earnings is equal to the change in unrealized losses relating to assets held at the end of the reporting period.

Net unrealized losses related to Level 3 assets in the tables above are included in net unrealized losses in our condensed consolidated statements of earnings.

### Valuations Techniques and Inputs

The table below presents the quantitative information related to the fair value measurements for our privately held equity investments measured at fair value on a recurring basis using Level 3 inputs:

Qualitative Information about Level 3 Fair Value Measurements			
Valuation Techniques	Fair Value as of March 31, 2022	Unobservable Input	Range (Average) <sup>(1)</sup>
	(in millions of U.S. dollars)		
Guideline company methodology	\$ 223	Distribution waterfall	12.54
Dividend discount model;		Multiple on Invested capital	0.79x - 1.13x
Guideline companies method	105	Discount rate	9.0% - 12.3%
Cost as approximation of fair value	17	Exit multiple	1.2x - 1.4x (1.3x)
	<u>\$ 345</u>	Cost as approximation of fair value	

<sup>(1)</sup> The average represents the arithmetic average of the inputs and is not weighted by the relative fair value.

**Insurance Contracts - Fair Value Option**

The following table presents a reconciliation of the beginning and ending balances for all insurance contracts measured at fair value on a recurring basis using Level 3 inputs:

	Three Months Ended March 31,					
	2022			2021		
	Liability for losses and LAE	Reinsurance balances recoverable	Net	Liability for losses and LAE	Reinsurance balances recoverable	Net
	(in millions of U.S. dollars)					
Beginning fair value	\$ 1,989	\$ 432	\$ 1,557	\$ 2,453	\$ 521	\$ 1,932
Incurring losses and LAE:						
(Reduction) increase in estimates of ultimate losses	(6)	(2)	(4)	(8)	1	(9)
Reduction in provisions for ULAE	(4)	—	(4)	(4)	—	(4)
Changes in fair value due to changes in:						
Average payout	5	11	(6)	3	1	2
Corporate bond yield	(114)	(22)	(92)	(97)	(20)	(77)
Total change in fair value	(109)	(11)	(98)	(94)	(19)	(75)
Total incurred losses and LAE	(119)	(13)	(106)	(106)	(18)	(88)
Paid losses	(80)	(28)	(52)	(74)	(12)	(62)
Effect of exchange rate movements	(26)	(3)	(23)	5	—	5
Ending fair value	\$ 1,764	\$ 388	\$ 1,376	\$ 2,278	\$ 491	\$ 1,787

Below is a summary of the quantitative information regarding the significant observable and unobservable inputs used in the internal model to determine fair value on a recurring basis:

Valuation Technique	Unobservable (U) and Observable (O) Inputs	March 31, 2022	December 31, 2021
		Weighted Average	
Internal model	Corporate bond yield (O)	A rated	A rated
Internal model	Credit spread for non-performance risk (U)	0.2%	0.2%
Internal model	Risk cost of capital (U)	5.1%	5.1%
Internal model	Weighted average cost of capital (U)	8.25%	8.25%
Internal model	Average payout - liability (U)	7.96 years	7.95 years
Internal model	Average payout - reinsurance balances recoverable on paid and unpaid losses (U)	6.41 years	7.63 years

The fair value of the liability for losses and LAE and reinsurance balances recoverable on paid and unpaid losses may increase or decrease due to changes in the corporate bond rate, the credit spread for non-performance risk, the risk cost of capital, the weighted average cost of capital and the estimated payment pattern.

In addition, the estimate of the capital required to support the liabilities is based upon current industry standards for capital adequacy.

## Disclosure of Fair Values for Financial Instruments Carried at Cost

### Senior and Subordinated Notes

The following table presents the fair values of our Senior and Subordinated Notes carried at amortized cost:

	March 31, 2022	
	Amortized Cost	Fair Value
	(in millions of U.S. dollars)	
4.95% Senior Notes due 2029	\$ 495	\$ 519
3.10% Senior Notes due 2031	495	448
Total Senior Notes	\$ 990	\$ 967
5.75% Junior Subordinated Notes due 2040	\$ 345	\$ 350
5.50% Junior Subordinated Notes due 2042	493	476
5.50% Enhanced Re's Subordinated Notes due 2031	76	76
Total Subordinated Notes	\$ 914	\$ 902

The fair value of our Senior Notes and our Junior Subordinated Notes due 2040 and 2042 was based on observable market pricing from a third party pricing service, whereas the fair value of Enhanced Re's Subordinated Notes due 2031 was based on observable market pricing for comparable debt from a third party pricing service.

Both the Senior and Subordinated Notes are classified as Level 2.

## 8. VARIABLE INTEREST ENTITIES

The tables below present the fair value of our investments in nonconsolidated VIEs as well as our maximum exposure to loss associated with these VIEs:

As of March 31, 2022	Fair Value	Unfunded Commitments	Maximum Exposure to Loss
	(in millions of U.S. dollars)		
<b>Equities</b>			
Publicly traded equity investment in common stock	\$ 63	\$ —	\$ 63
<b>Other investments</b>			
Hedge funds	\$ 315	\$ —	\$ 315
Fixed income funds	298	72	370
Private equity funds	1,013	891	1,904
CLO equity funds	234	—	234
Private credit funds	19	162	181
Real estate funds	135	546	681
Total	\$ 2,014	\$ 1,671	\$ 3,685
<b>Total investments in nonconsolidated VIEs</b>	<b>\$ 2,077</b>	<b>\$ 1,671</b>	<b>\$ 3,748</b>

As of December 31, 2021	Fair Value	Unfunded Commitments	Maximum Exposure to Loss
	(in millions of U.S. dollars)		
<b>Equities</b>			
Publicly traded equity investment in common stock	\$ 64	\$ —	\$ 64
<b>Other investments</b>			
Hedge fund	\$ 291	\$ 45	\$ 336
Fixed income funds	171	36	207
Private equity funds	697	930	1,627
CLO equity funds	207	31	238
Private credit funds	14	166	180
Real estate funds	69	418	487
Total	\$ 1,449	\$ 1,626	\$ 3,075
<b>Total investments in nonconsolidated VIEs</b>	<b>\$ 1,513</b>	<b>\$ 1,626</b>	<b>\$ 3,139</b>

## 9. DEBT OBLIGATIONS

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### New Debt Obligations

On January 14, 2022, our wholly-owned subsidiary, Enstar Finance LLC ("Enstar Finance"), completed the issuance and sale of a series of junior subordinated notes due 2042 (the "2042 Junior Subordinated Notes") for an aggregate principal amount of \$500 million. The 2042 Junior Subordinated Notes bear interest (i) during the initial five-year period ending January 14, 2027, at a fixed rate per annum of 5.50% and (ii) during each five-year reset period thereafter beginning January 15, 2027, at a fixed rate per annum equal to the five-year U.S. treasury rate calculated as of two business days prior to the beginning of such five-year period plus 4.006%.

The 2042 Junior Subordinated Notes are unsecured junior subordinated obligations of Enstar Finance, are fully and unconditionally guaranteed by the Parent Company on an unsecured and junior subordinated basis, and are contractually subordinated in right of payment to the existing and future obligations of our other subsidiaries (other than Enstar Finance).

The 2042 Junior Subordinated Notes are exclusively the obligations of Enstar Finance and the Parent Company, to the extent of the guarantee, and are not guaranteed by any of our other subsidiaries, which are separate and distinct legal entities and, except for Enstar Finance, have no obligation, contingent or otherwise, to pay holders any amounts due on the 2042 Junior Subordinated Notes or to make any funds available for payment on the 2042 Junior Subordinated Notes, whether by dividends, loans or other payments.

Generally, if an event of default occurs, the trustee or the holders of at least 25% in aggregate principal amount of the then outstanding 2042 Junior Subordinated Notes may declare the principal and accrued and unpaid interest on all of the then outstanding 2042 Junior Subordinated Notes to be due and payable immediately.

Subject to threshold regulatory requirements, Enstar Finance may repurchase the 2042 Junior Subordinated Notes, in whole or in part, at any time during a par call period, at a repurchase price equal to 100% of the principal amount of such notes, plus accrued and unpaid interest, and at any time not during a par call period, plus an additional "make-whole" premium.

We incurred costs of \$7 million in issuing the 2042 Junior Subordinated Notes. The net proceeds of the 2042 Junior Subordinated Notes were used to fund the payment at maturity of the outstanding \$280 million aggregate principal amount of our 2022 Senior Notes. We intend to use the remaining net proceeds for general corporate purposes, including, but not limited to, funding our acquisitions, working capital and other business opportunities.

## 10. NONCONTROLLING INTERESTS

### Redeemable Noncontrolling Interest

The following is a reconciliation of the beginning and ending carrying amount of the equity attributable to the redeemable non-controlling interest ("RNCI"):

	Three Months Ended March 31,	
	2022	2021
	(in millions of U.S. dollars)	
Balance as of January 1	\$ 179	\$ 365
Distributions paid	—	(202)
Net earnings attributable to RNCI	5	12
Change in unrealized losses on AFS investments attributable to RNCI	(3)	—
Change in currency translation adjustments attributable to RNCI	—	1
Change in redemption value of RNCI	—	(1)
Balance as of March 31	<u>\$ 181</u>	<u>\$ 175</u>

The decrease in RNCI for the three months ended March 31, 2021 was primarily driven by the Exchange Transaction<sup>5</sup>, which was completed on January 1, 2021. Following the completion of the Exchange Transaction, there is no RNCI in respect of Northshore Holdings Limited ("Northshore"), the holding company of Atrium Underwriting Group Limited and Arden Reinsurance Company, and the remaining RNCI as of December 31, 2021 and March 31, 2022 relates only to the remaining international operations of StarStone Specialty Holdings Limited.

### Noncontrolling Interest

As of March 31, 2022 and December 31, 2021, we had \$233 million and \$230 million, respectively, of non-controlling interest ("NCI") primarily related to external interests in three of our subsidiaries, including Enhanced Re. A reconciliation of the beginning and ending carrying amount of the equity attributable to NCI is included in the condensed consolidated statements of changes in shareholder's equity.

<sup>5</sup> The exchange of a portion of our indirect interest in Northshore for all of the Trident V, L.P., Trident V Parallel Fund, L.P. and Trident V Professionals Fund, L.P. (collectively, the "Trident V Funds") indirect interest in StarStone U.S.

## 11. SHAREHOLDERS' EQUITY

### Ordinary Shares

The following is a reconciliation of our beginning and ending ordinary shares:

	Voting Ordinary Shares	Non-Voting Convertible Ordinary Series C Shares	Non-Voting Convertible Ordinary Series E Shares	Total Ordinary Shares
<b>Balance as of December 31, 2021</b>	16,625,862	1,192,941	404,771	18,223,574
Shares issued	39,597	—	—	39,597
Shares repurchased <sup>(1)</sup>	(162,134)	—	—	(162,134)
<b>Balance as of March 31, 2022</b>	<u>16,503,325</u>	<u>1,192,941</u>	<u>404,771</u>	<u>18,101,037</u>

<sup>(1)</sup> Ordinary Shares that we have repurchased are subject to immediate retirement, resulting in a reduction to the number of Ordinary Shares issued and outstanding.

### Voting Ordinary Shares

#### Share Repurchases

The following table presents our ordinary shares repurchased:

	Three Months Ended	
	March 31, 2022	March 31, 2021
	(in millions of U.S. dollars, except share and per share data)	
Ordinary shares repurchased	162,134	18,003
Average price per ordinary share	\$ 257.49	\$ 234.70
Aggregate price	\$ 42	\$ 4

As of March 31, 2022, the remaining capacity under the 2021 Repurchase Program was \$17 million.

### Preferred Shares

#### Dividends on Preferred Shares

During the three months ended March 31, 2022 and 2021, we declared and paid dividends on Series D Preferred Shares of \$7 million and on Series E Preferred Shares of \$2 million for both periods.

### Accumulated Other Comprehensive Loss

The following table presents details about the tax effects allocated to each component of other comprehensive loss:

	Three Months Ended					
	March 31,					
	2022			2021		
Before Tax Amount	Tax (Expense) Benefit	Net of Tax Amount	Before Tax Amount	Tax Benefit	Net of Tax Amount	
(in millions of U.S. dollars)						
Unrealized losses on fixed income AFS investments arising during the period	\$ (287)	\$ 6	\$ (281)	\$ (116)	\$ 5	\$ (111)
Reclassification adjustment for change in allowance for credit losses recognized in net (loss) earnings	20	(1)	19	12	—	12
Reclassification adjustment for net realized losses (gains) included in net (loss) earnings	15	(1)	14	(1)	—	(1)
Reclassification to earnings on disposal of subsidiary	—	—	—	1	—	1
Change in currency translation adjustment	1	—	1	1	—	1
Other comprehensive loss	<u>\$ (251)</u>	<u>\$ 4</u>	<u>\$ (247)</u>	<u>\$ (103)</u>	<u>\$ 5</u>	<u>\$ (98)</u>

The following table presents details of amounts reclassified from accumulated other comprehensive loss:

Details about AOCI components	Three Months Ended		Affected Line Item in Statement where Net Earnings are presented
	March 31, 2022	March 31, 2021	
	(in millions of U.S. dollars)		
Unrealized losses on fixed income AFS investments	\$ (35)	\$ (12)	Net realized losses
	(35)	(12)	Total before tax
	2	—	Income tax benefit
Total reclassifications for the period, net of tax	<u>\$ (33)</u>	<u>\$ (12)</u>	

## 12. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted net earnings per ordinary share:

	Three Months Ended March 31,	
	2022	2021
	(in millions of U.S. dollars, except share and per share data)	
<b>Numerator:</b>		
Net (loss) earnings attributable to Enstar ordinary shareholders:	\$ (282)	\$ 183
<b>Denominator:</b>		
Weighted-average ordinary shares outstanding — basic <sup>(1)</sup>	17,578,019	21,562,341
Effect of dilutive securities:		
Share-based compensation plans <sup>(2)</sup>	207,102	209,324
Warrants <sup>(3)</sup>	—	80,659
Weighted-average ordinary shares outstanding — diluted <sup>(4)</sup>	17,785,121	21,852,324
<b>(Loss) earnings per share attributable to Enstar ordinary shareholders:</b>		
Basic	\$ (16.04)	\$ 8.50
Diluted <sup>(4)</sup>	\$ (16.04)	\$ 8.38

<sup>(1)</sup> Weighted-average ordinary shares for basic earnings per share includes ordinary shares (voting and non-voting) but excludes ordinary shares held in the Enstar Group Limited Employee Benefit Trust (the "EB Trust") in respect of Joint Share Ownership Plan ("JSOP") awards.

<sup>(2)</sup> Share-based dilutive securities include restricted shares, restricted share units, and performance share units. Certain share-based compensation awards, including the ordinary shares held in the EB Trust in respect of JSOP awards, were excluded from the calculation for the three months ended March 31, 2022 and 2021 because they were anti-dilutive.

<sup>(3)</sup> Warrants to acquire 175,901 Series C Non-Voting Ordinary Shares for an exercise price of \$115.00 per share were exercised on a non-cash basis during the three months ended March 31, 2021, which resulted in a total of 89,590 Series C Non-Voting Ordinary Shares being issued in the period. As of December 31, 2021, there were no warrants outstanding following the exercise described. The warrants presented in the table above are a weighted-average of the warrants outstanding for the period.

<sup>(4)</sup> During a period of loss, the basic weighted average ordinary shares outstanding is used in the denominator of the diluted loss per ordinary share computation as the effect of including potentially dilutive securities would be anti-dilutive.

### 13. RELATED PARTY TRANSACTIONS

The following tables summarize our related party balances and transactions. Additional details about the nature of our relationships and transactions are disclosed in Note 22 to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2021.

As of March 31, 2022	Stone Point <sup>(1)</sup> (2)	Northshore	Monument	AmTrust	Citco	Core Specialty	Other
(in millions of U.S. dollars)							
<b>Assets</b>							
Short-term investments, AFS, at fair value	\$ 1	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Fixed maturities, trading, at fair value	112	158	—	—	—	—	—
Fixed maturities, AFS, at fair value	475	—	—	—	—	—	—
Equities, at fair value	159	37	—	223	—	—	—
Other investments, at fair value	560	12	—	—	—	—	1,643
Equity method investments	—	—	213	—	57	230	19
<b>Total investments</b>	<b>1,307</b>	<b>207</b>	<b>213</b>	<b>223</b>	<b>57</b>	<b>230</b>	<b>1,662</b>
Cash and cash equivalents	60	27	—	—	—	—	—
Restricted cash and cash equivalents	—	6	—	—	—	—	—
Reinsurance balances recoverable on paid and unpaid losses	—	56	—	—	—	2	—
Funds held by reinsured company	—	32	—	—	—	37	—
Other assets	—	73	—	—	—	13	—
<b>Liabilities</b>							
Losses and LAE	—	210	—	—	—	467	—
Insurance and reinsurance balances payable	—	55	—	—	—	12	—
Other liabilities	10	99	—	—	—	—	—
<b>Net assets (liabilities)</b>	<b>\$ 1,357</b>	<b>\$ 37</b>	<b>\$ 213</b>	<b>\$ 223</b>	<b>\$ 57</b>	<b>\$ (197)</b>	<b>\$ 1,662</b>
Redeemable noncontrolling interest	\$ 173	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

<sup>(1)</sup> As of March 31, 2022, investment funds managed by Stone Point Capital LLC ("Stone Point") own 1,635,986 of our Voting Ordinary Shares, which constitutes 9.9% of our outstanding Voting Ordinary Shares.

<sup>(2)</sup> As of March 31, 2022, we had unfunded commitments of \$192 million to other investments, \$21 million to privately held equity and \$6 million to fixed maturity investments managed by Stone Point and its affiliated entities.

## Item 1 | Notes to Consolidated Financial Statements | Note 13. Related Party Transactions

As of December 31, 2021	Stone Point	AnglePoint HK	Northshore	Monument	AmTrust	Citco	Core Specialty	Other
	(in millions of U.S. dollars)							
<b>Assets</b>								
Fixed maturities, trading, at fair value	\$ 122	\$ —	\$ 180	\$ —	\$ —	\$ —	\$ —	\$ —
Fixed maturities, AFS, at fair value	332	—	1	—	—	—	—	—
Equities, at fair value	153	—	37	—	224	—	—	—
Other investments, at fair value	563	9	14	—	—	—	—	1,278
Equity method investments	—	—	—	194	—	56	225	18
Total investments	1,170	9	232	194	224	56	225	1,296
Cash and cash equivalents	14	—	27	—	—	—	—	—
Restricted cash and cash equivalents	—	—	4	—	—	—	—	—
Reinsurance balances recoverable on paid and unpaid losses	—	—	63	—	—	—	2	—
Funds held by reinsured company	—	—	35	—	—	—	41	—
Other assets	—	—	28	—	—	—	13	—
<b>Liabilities</b>								
Losses and LAE	—	—	226	—	—	—	504	—
Insurance and reinsurance balances payable	—	—	63	—	—	—	5	—
Other liabilities	—	—	63	—	—	—	—	—
Net assets (liabilities)	\$ 1,184	\$ 9	\$ 37	\$ 194	\$ 224	\$ 56	\$ (228)	\$ 1,296
Redeemable noncontrolling interest	\$ 172	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

(1) Subsequent to December 31, 2021, AnglePoint HK ceased to be a related party.

	Three Months Ended March 31, 2022						
	Stone Point	Northshore	Monument	AmTrust	Citco	Core Specialty	Other
	(in millions of U.S. dollars)						
<b>INCOME</b>							
Net premiums earned	\$ —	\$ 3	\$ —	\$ —	\$ —	\$ (1)	\$ —
Net investment income	2	4	—	2	—	—	—
Net unrealized losses	(11)	(6)	—	(2)	—	—	(37)
Other income	—	1	—	—	—	3	—
Total (loss) income	(9)	2	—	—	—	2	(37)
<b>EXPENSES</b>							
Net incurred losses and LAE	—	1	—	—	—	—	—
Acquisition costs	—	—	—	—	—	(1)	—
General and administrative expenses	—	1	—	—	—	—	—
Total expenses	—	2	—	—	—	(1)	—
Earnings from equity method investments	—	—	24	—	1	6	—
Total net (loss) earnings	\$ (9)	\$ —	\$ 24	\$ —	\$ 1	\$ 9	\$ (37)

**Item 1 | Notes to Consolidated Financial Statements | Note 13. Related Party Transactions**

	Three Months Ended March 31, 2021								
	Stone Point	Hillhouse <sup>(1)</sup>	Northshore	Monument	AmTrust	Citco	Enhanced Re <sup>(2)</sup>	Core	Other
	(in millions of U.S. dollars)								
<b>INCOME</b>									
Net premiums earned	\$ —	\$ —	\$ 20	\$ —	\$ —	\$ —	\$ —	\$ 4	\$ —
Net investment income	—	—	1	—	1	—	(1)	—	2
Net realized gains	—	77	—	—	—	—	—	—	—
Net unrealized gains (losses)	25	20	(1)	—	(1)	—	—	—	32
Other income	—	—	(7)	—	—	—	—	5	—
<b>Total income (loss)</b>	<b>25</b>	<b>97</b>	<b>13</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(1)</b>	<b>9</b>	<b>34</b>
<b>EXPENSES</b>									
Net incurred losses and LAE	—	—	4	—	—	—	—	(8)	—
Acquisition costs	—	—	5	—	—	—	—	(1)	—
General and administrative expenses	—	—	2	—	—	—	—	—	—
Net foreign exchange losses	—	—	2	—	—	—	—	—	—
<b>Total expenses</b>	<b>—</b>	<b>—</b>	<b>13</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(9)</b>	<b>—</b>
Earnings (loss) from equity method investments	—	—	—	15	—	1	105	(3)	—
<b>Total net earnings</b>	<b>\$ 25</b>	<b>\$ 97</b>	<b>\$ —</b>	<b>\$ 15</b>	<b>\$ —</b>	<b>\$ 1</b>	<b>\$ 104</b>	<b>\$ 15</b>	<b>\$ 34</b>
Change in unrealized losses on AFS investments	—	—	—	—	—	—	(1)	—	—

<sup>(1)</sup> Includes earnings from our direct investment in the InRe Fund, L.P. (the "InRe Fund"), which was managed by AnglePoint Cayman through March 31, 2021, and the impact of a \$100 million deduction from amounts due to affiliates of Hillhouse Group from the InRe Fund, which had the effect of increasing our NAV in the InRe Fund on February 21, 2021. The Hillhouse Group ceased to be a related party on July 22, 2021.

<sup>(2)</sup> Following completion of the Step Acquisition and related consolidation, Enhanced Re ceased to be a related party on September 1, 2021.

## 14. COMMITMENTS AND CONTINGENCIES

### Concentration of Credit Risk

We are subject to credit risk principally in relation to our:

- i. investments, including equity method investments;
- ii. cash and cash equivalents and restricted cash and cash equivalents;
- iii. assets pledged to ceding companies under reinsurance contracts;
- iv. (re)insurance balances recoverable on paid and unpaid losses; and
- v. funds held by reinsured companies and funds held - directly managed.

As of March 31, 2022, we had a significant funds held concentration of \$3.0 billion (December 31, 2021: \$3.2 billion) and \$1.2 billion (December 31, 2021: \$1.2 billion) to reinsured companies with financial strength credit ratings of A+ from A.M. Best and AA from S&P, and A+ from A.M. Best and AA- from S&P, respectively.

We limit the amount of credit exposure to any one counterparty, and none of our counterparty credit exposures, excluding U.S. government instruments and the counterparties noted above, exceeded 10% of shareholders' equity as of March 31, 2022. Our credit exposure to the U.S. government was \$1.1 billion as of March 31, 2022 (December 31, 2021: \$1.2 billion).

### Legal Proceedings

We are, from time to time, involved in various legal proceedings in the ordinary course of business, including litigation and arbitration regarding claims. Estimated losses relating to claims arising in the ordinary course of business, including the anticipated outcome of any pending arbitration or litigation are included in the liability for losses and LAE in our condensed consolidated balance sheets. In addition to claims litigation, we may be subject to other lawsuits and regulatory actions in the normal course of business, which may involve, among other things, allegations of underwriting errors or omissions, bad faith, employment claims or regulatory activity. We do not believe that the resolution of any currently pending legal proceedings, either individually or taken as a whole, will have a material effect on our business, results of operations or financial condition. We anticipate that, similar to the rest of the (re)insurance industry, we will continue to be subject to litigation and arbitration proceedings in the ordinary course of business, including litigation generally related to the scope of coverage with respect to A&E and other claims.

### Unfunded Investment Commitments

As of March 31, 2022, we had unfunded commitments of \$1.7 billion to other investments, \$31 million to privately held equity, \$6 million to fixed maturity investments and \$109 million to our majority owned subsidiary Enhanced Re.

### Guarantees

As of March 31, 2022 and December 31, 2021, parental guarantees supporting reinsurance obligations, defendant A&E liabilities, subsidiary capital support arrangements and credit facilities were \$2.7 billion, for both periods. We also guarantee the 2040 and 2042 Junior Subordinated Notes, which have an aggregate principal amount of \$850 million as of March 31, 2022 (December 31, 2021: \$350 million).

### Redeemable Noncontrolling Interest

We have the right to purchase the RNCI interests from the RNCI holders at certain times in the future (each such right, a "call right") and the RNCI holders have the right to sell their RNCI interests to us at certain times in the future (each such right, a "put right"). Following the closing of the Exchange Transaction, we have maintained a call right over the portion of StarStone Specialty Holdings Limited owned by the Trident V Funds and Dowling Capital Partners I, L.P. and Capital City Partners LLC, and they will maintain put rights to transfer those interests to us.

## 15. SUBSEQUENT EVENTS

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### [Investments](#)

#### **Reporting Lag**

The impact from volatility in global financial markets during the first quarter of 2022 will be recognized in future periods as a result of Enhanced Re and certain other strategic investments being recorded on a one quarter lag basis. We anticipate the unrealized investment losses from this lag to be in the range of between \$170 million to \$210 million which we expect to record in our second quarter 2022 results. As of March 31, 2022, the carrying value of Enhanced Re's investment portfolio, which is recorded on a one quarter lag, was \$2.9 billion.

### [Shareholders' Equity](#)

#### **Share Repurchases**

Subsequent to March 31, 2022, we repurchased 65,249 voting ordinary shares for \$17 million at an average price per share of \$255.87, and fully utilized the remaining capacity under the 2021 Repurchase Program.

On May 5, 2022, our Board authorized the repurchase of up to \$200 million of our ordinary shares, such authorization to be effective through May 5, 2023.

## ITEM 4. CONTROLS AND PROCEDURES

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### Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of management, including our Chief Executive Officer and our Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) as of March 31, 2022. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded, except as noted below, that we maintained effective disclosure controls and procedures to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and timely reported as specified in the rules and forms of the U.S. Securities and Exchange Commission and is accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

On September 1, 2021, we completed our acquisition of the controlling interest of Enhanced Re. Enhanced Re is reported on a one quarter lag and therefore its balance sheet and operating results as of and for the three months ended December 31, 2021 are included in our balance sheet and operating results as of and for the three months ended March 31, 2022. Enhanced Re represented 13.8% of our total assets and 5.1% of our total consolidated net loss as a consolidated subsidiary as of and for the three months ended March 31, 2022. We are in the process of evaluating internal control over financial reporting for Enhanced Re and have accordingly excluded Enhanced Re from our evaluation of internal control over financial reporting and related disclosure controls and procedures.

### Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended March 31, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II — OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

For a discussion of legal proceedings, see Note 14 to our condensed consolidated financial statements, which is incorporated herein by reference.

### ITEM 1A. RISK FACTORS

Our results of operations and financial condition are subject to numerous risks and uncertainties described in "Risk Factors" included in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021. The risk factors identified therein have not materially changed.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

#### Issuer Purchases of Equity Securities

The following table provides information about ordinary shares acquired by the Company during the three months ended March 31, 2022.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(1)</sup>	Maximum Number (or Dollar Value) of Shares that May Yet be Purchased Under the Program <sup>(1)</sup> (in millions of U.S. dollars)
Beginning dollar amount available to be repurchased				\$ 59
January 1, 2022 - January 31, 2022	110,698	\$ 256.97	110,698	29
February 1, 2022 - February 28, 2022	700	\$ 260.01	700	—
March 1, 2022 - March 31, 2022	50,736	\$ 258.59	50,736	13
	<u>162,134</u>		<u>162,134</u>	<u>\$ 17</u>

<sup>(1)</sup> On November 29, 2021, our Board adopted an ordinary share repurchase program (the "2021 Repurchase Program"), effective through November 30, 2022. Pursuant to the 2021 Repurchase Program, we may repurchase a limited number of our ordinary shares, not to exceed \$100 million. As of March 31, 2022, the remaining capacity under the 2021 Repurchase Program was \$17 million. Subsequent to March 31, 2022, we repurchased 65,249 voting ordinary shares for \$17 million at an average price per share of \$255.87, and fully utilized the remaining capacity under the 2021 Repurchase Program. On May 5, 2022, our Board authorized the repurchase of up to \$200 million of our ordinary shares, such authorization to be effective through May 5, 2023.

### ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

### ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

### ITEM 5. OTHER INFORMATION

None.

## ITEM 6. EXHIBITS

## EXHIBIT INDEX

Exhibit No.	Description
<a href="#">3.1</a>	Memorandum of Association of Enstar Group Limited (incorporated by reference to Exhibit 3.1 of the Company's Form 10-K/A filed on May 2, 2011).
<a href="#">3.2</a>	Sixth Amended and Restated Bye-Laws of Enstar Group Limited (incorporated by reference to Exhibit 3.1 of the Company's Form 8-K filed on June 15, 2021).
<a href="#">3.3</a>	Certificate of Designations of Series C Participating Non-Voting Perpetual Preferred Stock (incorporated by reference to Exhibit 3.1 of the Company's Form 8-K filed on June 17, 2016).
<a href="#">3.4</a>	Certificate of Designations of 7.00% fixed-to-floating rate perpetual non-cumulative preference shares, Series D (incorporated by reference to Exhibit 4.1 of the Company's Form 8-K filed on June 27, 2018).
<a href="#">3.5</a>	Certificate of Designations of 7.00% perpetual non-cumulative preference shares, Series E (incorporated by reference to Exhibit 4.1 of the Company's Form 8-K filed on November 21, 2018).
<a href="#">4.1</a>	Second Supplemental Indenture dated as of January 14, 2022, among Enstar Finance LLC, Enstar Group Limited and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.1 of the Company's Form 8-K filed on January 14, 2022).
<a href="#">10.1*</a>	Fourth Amendment to Revolving Credit Agreement, dated as of November 16, 2021, by and among Enstar Group Limited and certain of its subsidiaries, National Australia Bank Limited, Barclays Bank PLC, Wells Fargo Bank, National Association, and each of the lenders party thereto.
<a href="#">31.1*</a>	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as adopted under Section 302 of the Sarbanes-Oxley Act of 2002.
<a href="#">31.2*</a>	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as adopted under Section 302 of the Sarbanes-Oxley Act of 2002.
<a href="#">32.1**</a>	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
<a href="#">32.2**</a>	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
104	Cover page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101)

\* filed herewith

\*\* furnished herewith

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on May 5, 2022.

ENSTAR GROUP LIMITED

By: /s/ Orla Gregory.

Orla Gregory  
Acting Chief Financial Officer,  
Chief Operating Officer,  
Authorized Signatory,  
Principal Financial Officer

By: /s/ Michael Murphy.

Michael P. Murphy  
Deputy Chief Financial Officer, Principal Accounting Officer

#### FOURTH AMENDMENT TO REVOLVING CREDIT AGREEMENT

This Fourth Amendment to Revolving Credit Agreement (this "Amendment") is entered into as of November 16, 2021 by and among ENSTAR GROUP LIMITED ("Enstar"), KENMARE HOLDINGS LTD., ENSTAR (US ASIA-PAC) HOLDINGS LIMITED and ENSTAR HOLDINGS (US) LLC as Borrowers and as Guarantors, the LENDERS party hereto, and NATIONAL AUSTRALIA BANK LIMITED, as Administrative Agent.

#### RECITALS

A. The Borrowers, the Guarantors, the Lenders and the Administrative Agent are parties to that certain Revolving Credit Agreement, dated as of August 16, 2018 (as amended by the First Amendment to Revolving Credit Agreement, dated as of December 19, 2018, the Second Amendment to Revolving Credit Agreement, dated as of November 25, 2020, and the Third Amendment to Revolving Credit Agreement, Waiver & Consent, dated as of March 31, 2021, the "Existing Credit Agreement" and as amended by this Amendment, the "Credit Agreement"), pursuant to which the Lenders have extended a revolving credit facility to the Borrowers. Each capitalized term used herein, that is not defined herein, shall have the meaning ascribed thereto in the Credit Agreement.

B. The Loan Parties have notified the Administrative Agent and the Lenders of their request to amend the Existing Credit Agreement as set forth below, but otherwise have the Existing Credit Agreement remain in full force and effect.

C. In accordance with Section 10.02(b) of the Existing Credit Agreement, the Loan Parties, the Administrative Agent and the Lenders have agreed to amend the Existing Credit Agreement, in accordance with the terms, and subject to the conditions, set forth herein.

#### AGREEMENT

The parties to this Amendment, intending to be legally bound, hereby agree as follows:

1. Amendments to Existing Credit Agreement. Subject to satisfaction of the conditions precedent set forth in Section 4 below:

a. The parties hereto agree that the Existing Credit Agreement (excluding the Exhibits and Schedules thereto) is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Existing Credit Agreement attached as Annex A hereto.

b. The parties hereto agree that Exhibit A to the Existing Credit Agreement is hereby replaced with Exhibit A to this Amendment.

c. The parties hereto agree that Exhibit B-1 to the Existing Credit Agreement is hereby replaced with Exhibit B-1 to this Amendment.

d. The parties hereto agree that Exhibit B-2 to the Existing Credit Agreement is hereby replaced with Exhibit B-2 to this Amendment.

e. The parties hereto agree that Exhibit B-3 to the Existing Credit Agreement is hereby replaced with Exhibit B-3 to this Amendment.

f. The parties hereto agree that Exhibit B-4 to the Existing Credit Agreement is hereby replaced with Exhibit B-4 to this Amendment.

2. Representations and Warranties. Each Loan Party hereby represents and warrants, as of the date of this Amendment, that:

a. The representations and warranties in each Loan Document to which it is a party are true and correct in all material respects with the same effect as though made on and as of the date hereof, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date; provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality or Material Adverse Effect in the text thereof;

b. The execution and delivery of this Amendment has been duly authorized by all necessary organizational action of such Loan Party; this Amendment has been duly executed and delivered by such Loan Party and is a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and to general principles of equity;

c. The transactions contemplated by this Amendment (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect, (b) will not violate any Law applicable to such Loan Party, (c) will not violate or result in a default under any other material Contractual Obligation binding upon such Loan Party or affecting its assets, and (d) will not result in the creation or imposition of any Lien on any asset of such Loan Party; and

d. No Default has occurred and is continuing or would result after giving effect to this Amendment.

3. Ratification and Confirmation of Loan Documents.

a. Except as expressly set forth herein, the execution, delivery and performance of this Amendment shall not alter, modify, amend, or in any way affect any of the terms, conditions, obligations, covenants, guarantees or agreements contained in the Existing Credit Agreement or any other Loan Document, all of which shall remain in full force and effect and shall not be impaired or affected, and shall not operate as a waiver of any right, power, or remedy of the Administrative Agent or any Lender under the Existing Credit Agreement or any other Loan Document.

b. Each Loan Party hereby acknowledges that it has read this Amendment and consents to the terms hereof, and hereby confirms and agrees that notwithstanding the effectiveness of this Amendment, the obligations of such Loan Party under the Loan Documents to which it is a party, including all guarantees thereunder, shall not be impaired or affected and such Loan Documents, including all guarantees thereunder and all promissory notes and all other instruments, documents and agreements entered into by such Loan Party in connection with such Loan Documents are, and shall continue to be, in full force and effect and are hereby confirmed and ratified in all respects.

c. Each Loan Party further agrees that nothing in the Existing Credit Agreement, this Amendment or any other Loan Document shall be deemed to require the consent of such Loan Party to any future amendment to the Credit Agreement, except to the extent that the consent of such Loan Party to such amendment is expressly required under the Credit Agreement.

d. Upon the effectiveness of this Amendment, each Lender shall continue to be a party to the Credit Agreement as a Lender.

4. Effectiveness. This Amendment shall become effective on the date first written above only upon satisfaction of the following conditions precedent on or prior to such date unless otherwise waived in writing by the Lenders and the Administrative Agent:

a. The Administrative Agent shall have acknowledged receipt of a counterpart of this Amendment signed on behalf of each Loan Party and the Lenders.

b. Each Loan Party shall have paid all fees, costs and expenses (including all reasonable and documented legal fees and expenses) agreed in writing to be paid by it to the Administrative Agent and the Lenders in connection herewith to the extent due (and, in the case of expenses (including legal fees and expenses), to the extent that statements for such expenses shall have been delivered to the Borrower on or prior to the date hereof.

5. Miscellaneous.

a. The Loan Parties acknowledge and agree that the representations and warranties set forth herein are material inducements to the Administrative Agent and the Lenders to deliver this Amendment.

b. This Amendment shall be binding upon and inure to the benefit of and be enforceable by the parties hereto, and their respective permitted successors and assigns.

c. This Amendment is a Loan Document. Henceforth, this Amendment and the Credit Agreement shall be read together as one document and the Existing Credit Agreement shall be modified accordingly. No course of dealing on the part of the Administrative Agent, the Lenders or any of their respective officers, nor any failure or delay in the exercise of any right by the Administrative Agent or the Lenders, shall operate as a waiver thereof, and any single or partial exercise of any such right shall not preclude any later exercise of any such right. The failure at any time to require strict performance by the Loan Parties of any provision of the Loan Documents shall not affect any right of the Administrative Agent or the Lenders thereafter to demand strict compliance and performance. Any suspension or waiver of a right must be in writing signed by an officer of the Administrative Agent and/or the Lenders, as applicable, pursuant to and in accordance with the Loan Documents, including, without limitation, Section 10.02 of the Credit Agreement. No other person or entity, other than the Administrative Agent and the Lenders, shall be entitled to claim any right or benefit hereunder, including, without limitation, the status of a third party beneficiary hereunder.

d. This Amendment shall be governed by and construed in accordance with the laws of the State of New York without reference to conflicts of law rules. The provisions of Section 10.09 and Section 10.10 of the Credit Agreement apply to this Amendment *mutatis mutandis* as if they were incorporated herein.

e. If any provision of this Amendment or any of the other Loan Documents shall be determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, that portion shall be deemed severed therefrom, and the remaining parts shall remain in full force as though the invalid, illegal or unenforceable portion had never been a part thereof.

f. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Amendment and/or any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures (as defined below), deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. As used herein, "Electronic Signatures" means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Loan Parties, the Administrative Agent and the Lenders have caused this Amendment to be executed as of the date first written above.

ENSTAR GROUP LIMITED  
as a Borrower and as a Guarantor

By /s/ Dominic Silvester  
Name: Dominic Silvester  
Title: Chief Executive Officer

KENMARE HOLDINGS LTD.  
as a Borrower and as a Guarantor

By /s/ Duncan Scott  
Name: Duncan Scott  
Title: Director

ENSTAR (US ASIA-PAC) HOLDINGS LIMITED  
as a Borrower and as a Guarantor

By /s/ Derek Reid  
Name: Derek Reid  
Title: Director

ENSTAR HOLDINGS (US) LLC  
as a Borrower and as a Guarantor

By /s/ Robert Redpath  
Name: Robert Redpath  
Title: Senior Vice President

[Signature Page to Fourth Amendment]

NATIONAL AUSTRALIA BANK LIMITED  
(ABN 12 004 044 937),  
as a Lender

By /s/ James Swann  
Name: James Swann  
Title: Associate Director

[Signature Page to Fourth Amendment]

BARCLAYS BANK PLC,  
as a Lender

By /s/ Grisca Wenzeler  
Name: Grisca Wenzeler  
Title: Vice President

[Signature Page to Fourth Amendment]

WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as a Lender

By /s/ William R. Goley  
Name: William R. Goley  
Title: Managing Director

[Signature Page to Fourth Amendment]

TRUIST BANK,  
as a Lender

By /s/ Hays Wood  
Name: Hays Wood  
Title: Director

[Signature Page to Fourth Amendment]

JPMORGAN CHASE BANK, N.A.,  
as a Lender

By /s/ Hector J. Varona  
Name: Hector J. Varona  
Title: Executive Director

[Signature Page to Fourth Amendment]

HSBC BANK USA, NATIONAL ASSOCIATION,  
as a Lender

By /s/ Teresa Pereyra  
Name: Teresa Pereyra  
Title: Vice President, Financial Institutions Group, Insurance

[Signature Page to Fourth Amendment]

ING BANK N.V., London Branch  
as a Lender

By /s/ Mariette Groen  
Name: Mariette Groen  
Title: Director

By /s/ Nick Marchant  
Name: Nick Marchant  
Title: Director

[Signature Page to Fourth Amendment]

THE BANK OF NOVA SCOTIA,  
as a Lender

By /s/ Marilena Devcic  
Name: Marilena Devcic  
Title: Director

[Signature Page to Fourth Amendment]

NATIONAL AUSTRALIA BANK LIMITED  
(ABN 12 004 044 937),  
as Administrative Agent

By /s/ Melisha Hughes  
Name: Melisha Hughes  
Title: Head of Agency Services, Northern Hemisphere

[Signature Page to Fourth Amendment]

Form of Credit Agreement

[Attached]

Annex A

**\$600,000,000**

**REVOLVING CREDIT AGREEMENT**

dated as of August 16, 2018 between

ENSTAR GROUP LIMITED,  
as Parent

ENSTAR GROUP LIMITED KENMARE HOLDINGS  
LTD.

ENSTAR (US ASIA-PAC) HOLDINGS LIMITED  
and

ENSTAR HOLDINGS (US) LLC,

as Borrowers and Guarantors The Lenders Party

Hereto, and

NATIONAL AUSTRALIA BANK LIMITED  
as Administrative Agent

=====

NATIONAL AUSTRALIA BANK LIMITED BARCLAYS BANK PLC  
and

WELLS FARGO SECURITIES, LLC,  
as Joint Lead Arrangers and Joint Bookrunners

=====

BARCLAYS BANK PLC  
and

WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as Syndication Agents

=====

NATIONAL AUSTRALIA BANK LIMITED,  
as Documentation Agent

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EXHIBIT B-4 - Form of U.S. Tax Compliance Certificate  
EXHIBIT C - Form of Guarantor Joinder Agreement

CREDIT AGREEMENT dated as of August 16, 2018 (this "Agreement"), between ENSTAR GROUP LIMITED, KENMARE HOLDINGS LTD., ENSTAR (US ASIA-PAC) HOLDINGS LIMITED and ENSTAR HOLDINGS (US) LLC as Borrowers and as Guarantors, the LENDERS party hereto and NATIONAL AUSTRALIA BANK LIMITED, as Administrative Agent.

The Borrowers (as defined below) have requested that the Lenders extend credit to the Borrowers, and the Lenders are willing to do so on the terms and conditions set forth herein. In consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

SECTION 1.01 Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"ABR" means, for any day, a rate per annum equal to the highest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 0.50%, (c) the Adjusted LIBOR Eurocurrency Rate for Dollars for a one-month term in effect on such day (taking into account any LIBOR Eurocurrency Rate floor under the definition of "Adjusted LIBOR Eurocurrency Rate") plus 1.00% and (d) 0.00%. Any change in the ABR due to a change in the Prime Rate, the Federal Funds Effective Rate or such Adjusted LIBOR Eurocurrency Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or such Adjusted LIBOR Eurocurrency Rate, respectively.

"ABR Borrowing" means, as to any Borrowing, the ABR Loans comprising such Borrowing.

"ABR Loan" means a Loan that bears interest based on the ABR. All ABR Loans shall be denominated in Dollars.

"Acquisition SPV" means a direct or indirect Subsidiary of the Parent other than a Loan Party, established or maintained for the purpose of making Investments that are not prohibited hereunder provided it has no other Indebtedness other than Acquisition SPV Indebtedness and/or Indebtedness owed to a member of the Group.

"Acquisition SPV Indebtedness" means Indebtedness incurred by an Acquisition SPV where the provider of the Indebtedness has no recourse against any member of the Group, other than to that Acquisition SPV and their respective assets.

"Adjusted LIBOR Eurocurrency Rate" means, as to any LIBOR Eurocurrency Rate Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/100 of 1%) equal to the highest of (a)(i) the LIBOR Eurocurrency Rate for such Interest Period divided by (ii) one minus the ~~Eurodollar~~ Eurocurrency Reserve Percentage and (b) 0.00%.

"Administrative Agency Fee Letter" means the fee letter dated July 24, 2018 between the Parent and the Administrative Agent.

"Administrative Agent" means National Australia Bank Limited, in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth in Section 10.01, or such other address or account as the Administrative Agent may from time to time notify to the Parent and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" means, with respect to a specified Person, another Person that directly or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified, in each case regardless of whether such other Person is existing as of the date hereof.

"Agent Parties" has the meaning specified in Section 10.01(d)(ii).

"Agents" means, collectively, the Administrative Agent, the Syndication Agents and the Documentation Agent.

“Aggregate Payments” has the meaning specified in Section 9.02.

“Agreement” has the meaning specified in introductory paragraph hereof.

“Alternative Currency” means (a) Euros, (b) Sterling, and (c) any other currency agreed to by (i) the Administrative Agent, acting on behalf of the Lenders, (ii) the applicable Borrower, and (iii) each Lender; provided that each such currency is a lawful currency that is readily available, freely transferable and able to be converted into Dollars.

“Alternative Currency Amount” means with respect to any amount in Dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Administrative Agent at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of such Alternative Currency with such Dollars.

“Applicable Law” means, as to any Person, all applicable Laws binding upon such Person or to which such a Person is subject.

“Applicable Percentage” means, with respect to any Lender, the percentage of the total Commitments represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Commitments most recently in effect, giving effect to any assignments.

“Applicable Rate” means, for any day, as to the commitment fees payable hereunder or as to any ~~LIBO~~ Eurocurrency Rate Loan or ABR Loan, as the case may be, the applicable percentages per annum determined by reference to the Credit Ratings applicable on such day as set forth below from one or both of S&P and Fitch:

<del>Applicable Rate</del> <u>Applicable Rate</u>					
Pricing	Credit Ratings	Commitment	<u>Eurocurrency Rate</u>	<del>LIBO</del> <u>RateSONIA</u>	ABR
Level		Fee	<u>Loans</u>	Loans	Loans
1	A- (or its equivalent) or higher	0.20%	<u>1.125%</u>	1.125%	0.125%
2	BBB+ (or its equivalent)	0.25%	<u>1.375%</u>	1.375%	0.375%
3	BBB (or its equivalent)	0.30%	<u>1.625%</u>	1.625%	0.625%
4	BBB- (or its equivalent)	0.325%	<u>1.875%</u>	1.875%	0.875%
5	BB+ (or its equivalent) or lower or unrated	0.35%	<u>2.125%</u>	2.125%	1.125%

Initially, commencing on the Closing Date the Applicable Rate shall be determined based upon Pricing Level 3. Notwithstanding anything herein to the contrary,

(a) if only one of S&P and Fitch shall have in effect a Credit Rating, then the Pricing Level shall be determined by reference to the available Credit Rating from such Credit Rating Agency;

(b) if both S&P and Fitch shall have in effect a Credit Rating, and such Credit Ratings differ by one level, then the Pricing Level for the highest of the two Credit Ratings shall apply (with the Credit Rating for Pricing Level 1 being the highest and the Credit Rating for Pricing Level 5 being the lowest); and

(c) if both S&P and Fitch shall have in effect a Credit Rating, and there is a split in Credit Ratings of such Credit Rating Agencies of more than one level, then the Pricing Level that is one level above the lower of the two Credit Ratings shall apply.

Each change in the Applicable Rate resulting from a publicly announced change in the Credit Rating after the Closing Date shall be effective during the period commencing on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change. If the rating system of any such Credit Rating Agency shall change, or if any such Credit Rating Agency shall cease to be in the business of rating corporate debt obligations, the Parent and the Lenders shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of

ratings from such Credit Rating Agencies or shall select a replacement Credit Rating Agency and, pending the effectiveness of any such amendment or replacement, for purposes of determining the Applicable Rate the Credit Rating of the affected Credit Rating Agency shall be deemed to the Credit Rating of such Credit Rating Agency as most recently in effect prior to such change or cessation.

“Applicable Time” means with respect to any ~~borrowings~~Borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the Administrative Agent, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

“Approved Fund” means any Fund that is administered, managed or advised by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers, manages or advises a Lender.

“Arrangers” means, collectively, Barclays Bank PLC, National Australia Bank Limited and Wells Fargo Securities, LLC in their capacities as joint lead arrangers and joint bookrunners.

“Arrangers’ Fee Letters” means the fee letters dated on or about July 25, 2018 between the Parent and each Arranger.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 10.04), and accepted by the Administrative Agent, in substantially the form of Exhibit A or any other form approved by the Administrative Agent.

“Attributable Indebtedness” means, as of any date of determination, (a) in respect of any Capitalized Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a capital lease.

“Audited Financial Statements” means the audited consolidated balance sheet of the Parent and its Subsidiaries for the fiscal year ended December 31, 2017 and the related consolidated statements of income or operations, Shareholders’ Equity and cash flows for such fiscal year of the Parent and its Subsidiaries.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark for any currency, as applicable, (x) if such Benchmark rate is a term rate, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement, or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (d) of Section 2.24.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as now and hereafter in effect, or any successor statute.

“Basel III” means:

(a) the agreements on capital requirements, a leverage ratio and liquidity standards contained in <sup>“</sup>Basel III: A global regulatory framework for more resilient banks and banking systems<sup>”</sup>; <sup>“</sup>Basel III:

International framework for liquidity risk measurement, standards and monitoring” and “Guidance for national authorities operating the countercyclical capital buffer” published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;

(b) the rules for global systemically important banks contained in “Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text” published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and

(c) any further guidance or standards published by the Basel Committee on Banking Supervision relating to “Basel III”.

“Benchmark” means, with respect to:

(a) Eurocurrency Rate Loans in Dollars, initially, USD LIBOR; provided that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to USD LIBOR or the then-current Benchmark for Dollars, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) of Section 2.24;

(b) Eurocurrency Rate Loans in Euros, initially EURIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to EURIBOR or the then-current Benchmark for Euros, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) of Section 2.24; and

(c) SONIA Loans, initially Daily Simple SONIA; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Daily Simple SONIA or the then-current Benchmark for Sterling, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) of Section 2.24.

“Benchmark Replacement” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(a) if the applicable Benchmark is denominated in Dollars, the sum of: (i) Term SOFR and (ii) the related Benchmark Replacement Adjustment;

(b) if the applicable Benchmark is denominated in Dollars, the sum of: (i) Daily Simple SOFR and (ii) the related Benchmark Replacement Adjustment;

(c) with respect to any currency, the sum of, the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrowers as the replacement for such then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (1) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (2) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for such then-current Benchmark for syndicated credit facilities relating to such currency, as applicable, at such time and (ii) the related Benchmark Replacement Adjustment; provided that, in the case of clause (a), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion. If a Benchmark Replacement as determined pursuant to clause (a), (b) or (c) above would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of any then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(a) for purposes of clauses (a) and (b) of the definition of “Benchmark Replacement,” the first alternative set forth in the order below that can be determined by the Administrative Agent;

(1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;

(2) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(b) for purposes of clause (c) of the definition of "Benchmark Replacement," the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrowers for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities relating to such currency, as applicable;

provided that, in the case of clause (a) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark of any currency:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(b) in the case of clause (c) of the definition of "Benchmark Transition Event", the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date; or

(c) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date for any Benchmark occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such Benchmark and for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark for any currency:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board, the Federal Reserve Bank of New York, the central bank for the currency applicable to such Benchmark, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, (i) a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof) for such currency, and (ii) the parties hereto acknowledge that a Benchmark Transition Event has occurred with respect to USD LIBOR with the public announcements on March 5, 2021 by the ICE Benchmark Administration (IBA) and the U.K. Financial Conduct Authority (FCA), that the IBA will permanently cease to publish all remaining tenors of LIBOR on June 30, 2023.

"Benchmark Unavailability Period" means, with respect to any then-current Benchmark for any currency, the period (if any) (i) beginning at the time that a Benchmark Replacement Date with respect to such Benchmark pursuant to clauses (a) or (b) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.24 and (ii) ending at the time that a Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.24.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230. "Beneficiary" means each Arranger, Agent and Lender.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"Board" means the Board of Governors of the Federal Reserve System of the United States.

“Borrower” means each of Enstar Group Limited, an exempted company limited by shares and incorporated in Bermuda, Kenmare Holdings Ltd., an exempted company limited by shares and incorporated in Bermuda, Enstar (US Asia-Pac) Holdings Limited, a limited liability company incorporated in England and Wales, and Enstar Holdings (US) LLC, a limited liability company formed in the State of Delaware.

“Borrowing” means a borrowing consisting of simultaneous Loans of the same Type and, in the case of [HB Eurocurrency](#) Rate Loans, having the same Interest Period made by the Lenders.

“Borrowing Request” means a request for a Borrowing, which shall be in such form as the Administrative Agent may approve.

“Bribery Act” has the meaning specified in Section 3.18(b).

“Business Day” means any day that is not a Saturday, Sunday or other day that is a legal holiday under the laws of New York, New York, London, England or Hamilton, Bermuda or is a day on which banking institutions in any such place are authorized or required by Law to close; provided that, when used in connection with a [HB Eurocurrency](#) Rate Loan, the term “Business Day” means any such day that is also a day on which dealings in Dollar deposits are conducted by and between banks in the London interbank market and, where such [HB Eurocurrency](#) Rate Loan is denominated in an Alternative Currency or any other dealings are required pursuant to the terms of this Agreement in respect of any Alternative Currency, “Business Day” means (x) in respect of Euro, any TARGET Day and (y) in respect of any other Alternative Currency, any such day on which banks are open for foreign exchange business in the principal financial center of the country of such other Alternative Currency.

“Capitalized Lease” means each lease that has been or is required to be, in accordance with GAAP, recorded as a capitalized lease.

“Cash Equivalents” means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from a Credit Rating Agency;

(c) investments in certificates of deposit, banker’s acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States or any state thereof that has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(d) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above; and

(e) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated AAA and Aaa (or equivalent rating) by at least two Credit Rating Agencies and (iii) have portfolio assets of at least \$5,000,000,000.

“CBR Loan” means a Loan that bears interest at a rate determined by reference to the Central Bank Rate.

“CBR Spread” means the Applicable Rate, applicable to such Loan that is replaced by a

CBR Loan.

“Central Bank Rate” means, (a) the greater of (i) for any Loan denominated in (A) Euro, one of the following three rates as may be selected by the Administrative Agent in its reasonable discretion: (1) the fixed rate for the main refinancing operations of the European Central Bank (or any successor thereto), or, if that rate is not published, the minimum bid rate for the main refinancing operations of the European Central Bank (or any successor thereto), each as published by the European Central Bank (or any successor thereto) from time to time, (2) the rate for the marginal lending facility of the European Central Bank (or any successor thereto), as published by the European Central Bank (or any successor thereto) from time to time or (3) the rate for the deposit facility of the central banking system of the Participating Member States, as published by

the European Central Bank (or any successor thereto) from time to time, (B) Sterling, the Bank of England (or any successor thereto)'s "Bank Rate" as published by the Bank of England (or any successor thereto) from time to time and (C) any other Alternative Currency, a central bank rate as determined by the Administrative Agent in its reasonable discretion, and (ii) 0.00%; plus (b) the applicable Central Bank Rate Adjustment.

"Central Bank Rate Adjustment" means, for any day, for any Loan denominated in (a) Euro, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of the EURIBOR Rate for the five most recent Business Days preceding such day for which the Screen Rate was available (excluding, from such averaging, the highest and the lowest EURIBOR Rate applicable during such period of five Business Days) minus (ii) the Central Bank Rate in respect of Euro in effect on the last Business Day in such period, (b) Sterling, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of SONIA for the five most recent Business Days preceding such day for which SONIA was available (excluding, from such averaging, the highest and the lowest SONIA applicable during such period of five Business Days) minus (ii) the Central Bank Rate in respect of Sterling in effect on the last Business Day in such period, (c) any other Alternative Currency, a Central Bank Rate Adjustment as determined by the Administrative Agent in its reasonable discretion. For purposes of this definition, (x) the term Central Bank Rate shall be determined disregarding clause (b) of the definition of such term and (y) the EURIBOR Rate on any day shall be based on the Screen Rate on such day at approximately the time referred to in the definition of such term for deposits in the applicable Alternative Currency for a maturity of one month (or, in the event the Screen Rate, for deposits in the applicable Alternative Currency is not available for such maturity of one month, shall be based on the Interpolated Rate, as applicable, as of such time); provided that if such rate shall be less than 0.00%, such rate shall be deemed to be 0.00%.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States, European Union or foreign regulatory authorities, in each case pursuant to Basel III or CRD IV, and in each case except to the extent attributable to the implementation or application of or compliance with the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement (but excluding any amendment arising out of Basel III or CRD IV), shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change of Control" means an event or series of events by which: (a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its Subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "option right")), directly or indirectly, of more than 50% of the Equity Interests of the Parent entitled to vote for members of the board of directors or equivalent governing body of the Parent on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right); or (b) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Parent cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body.

"Closing Date" means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 10.02.

"Code" means the Internal Revenue Code of 1986.

“Commitment” means with respect to each Lender on any date, the commitment of such Lender to make a Loan if such Loan is required to be disbursed on such date, as such commitment may be reduced or increased from time to time pursuant to Section 10.04 or reduced from time to time pursuant to Section 2.09 or increased from time to time pursuant to Section ~~2.24~~2.25. The initial amount of such Lender’s Commitment is set forth on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Commitment, as applicable.

“Commitment Termination Date” means the date that is five years after the date of this Agreement (except that, if such date is not a Business Day, the Commitment Termination Date shall be the next preceding Business Day).

“Communications” has the meaning specified in Section 10.01(d)(ii).

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated Financial Indebtedness” means, at any time, the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum premium payable on prepayment or redemption) of any Indebtedness of members of the Group, excluding (i) any such obligations to any other member of the Group; (ii) Indebtedness incurred pursuant to any letter of credit or its equivalent in the ordinary course of business, but only in each case to the extent such letter of credit or equivalent is undrawn; (iii) Contingent Capital Instruments to the extent that such instruments would not in aggregate exceed 10% of Total Capital; and (iv) Hybrid Capital to the extent that such Hybrid Capital (A) does not in aggregate exceed 15% of Total Capital and (B) does not mature or is not mandatorily redeemable or subject to any mandatory repurchase requirement at any time on or prior to the date which is six months after the Commitment Termination Date.

“Consolidated Net Worth” means, as of any date of determination, the aggregate of the Shareholders' Equity of the Parent.

“Contingent Capital Instruments” means unconditional, committed capital instruments which are callable on demand, but excluding Hybrid Capital.

“Contractual Obligation” means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings analogous thereto.

“Controlled Investment Entity” means each Investment Entity that is Controlled by the Parent or any of its Subsidiaries, from time to time.

“Corresponding Tenor” means with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“CRD” has the meaning specified in the definition of “EU CRD IV”.

“CRD IV” means: [EU CRD IV and UK CRD IV](#).

~~(a) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012; and~~

~~(b) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.~~

“Credit Extension” means a Borrowing.

“Credit Rating” means a rating as determined by a Credit Rating Agency of the Parent’s non-credit-enhanced, senior unsecured long-term indebtedness.

“Credit Rating Agency” means an internationally recognized credit rating agency that evaluates the financial condition of issuers of debt instruments and then assigns a rating that reflects its assessment of the issuer’s ability to make debt payments.

“CRR” has the meaning specified in the definition of “EU CRD IV”.

“Currency Valuation Notice” has the meaning specified in Section 2.08(b).

“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

“Daily Simple SONIA” means for any day (a “SONIA Rate Day”), a rate per annum equal to, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Sterling, the sum of (i) the greater of (A) SONIA for the day (such day, a “SONIA Determination Day”) that is five (5) Business Days prior to (x) if such SONIA Rate Day is a Business Day, such SONIA Rate Day, or (y) if such SONIA Rate Day is not a Business Day, the Business Day immediately preceding such SONIA Rate Day, in each case, as such SONIA is published by the SONIA Administrator on the SONIA Administrator’s Website, and (B) the Floor, and (ii) 0.0326%. If by 5:00 pm (local time) on the second (2nd) Business Day immediately following the SONIA Determination Day, SONIA in respect of such SONIA Determination Day has not been published on the SONIA Administrator’s Website and a Benchmark Replacement Date with respect to Daily Simple SONIA has not occurred, then the SONIA for such SONIA Determination Day will be the SONIA as published in respect of the first preceding Business Day for which such SONIA was published on the SONIA Administrator’s Website; provided that any SONIA determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple SONIA for no more than three (3) consecutive SONIA Rate Days. Any change in Daily Simple SONIA due to a change in the SONIA shall be effective from and including the effective date of such change in the SONIA without notice to the Borrowers.

“Debtor Relief Laws” means the Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws in the United States or any other applicable jurisdiction from time to time in effect.

“Default” means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Default Rate” means an interest rate (before as well as after judgment) equal to (a) with respect to overdue principal, the applicable interest rate plus 2.00% per annum (provided that, with respect to a ~~LBO~~SONIA Loan or a Eurocurrency Rate Loan, the determination of the applicable interest rate is subject to Section 2.07(e) to the extent that ~~LBO~~Rate Loans may not be converted to, or continued as, ~~LBO~~SONIA Loans or Eurocurrency Rate Loans, as applicable, pursuant thereto) and (b) with respect to any other overdue amount (including overdue interest), the interest rate applicable to ABR Loans in the case of overdue interest or fee plus 2.00% per annum.

“Defaulting Lender” means, subject to Section 2.23(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the applicable Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two Business Days of the date when due, (b) has notified the applicable Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund a Loan hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the applicable Borrower, to confirm in writing to the Administrative Agent and the applicable Borrower that it will comply with

its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the applicable Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.23(b)) upon delivery of written notice of such determination to the Parent and each Lender.

“Disposition”, “Dispose” or “Disposed” means the sale, transfer, license, lease or other disposition of any property by any Person (including any sale and leaseback transaction and any issuance of Equity Interests by a Subsidiary of such Person), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

“Disqualified Equity Interest” means any Equity Interest that, by its terms (or the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Equity Interests that are not Disqualified Equity Interests), pursuant to a sinking fund obligation or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Commitments), (b) is redeemable at the option of the holder thereof, in whole or in part, (c) provides for mandatory scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is ninety-one days after the Commitment Termination Date; provided that if such Equity Interests are issued pursuant to a plan for the benefit of employees of a Loan Party or any Subsidiary or by any such plan to such employees, such Equity Interests shall not constitute Disqualified Equity Interests solely because they may be required to be repurchased by the such Loan Party or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee’s termination, death or disability.

“Documentation Agent” means National Australia Bank Limited

“Dollar” and “\$” mean lawful money of the United States.

“Dollar Amount” means (a) with respect to any amount in Dollars, such amount or (b) in the case of an amount in Euros, Sterling or any other Alternative Currency, the equivalent amount thereof in Dollars as determined by the Administrative Agent at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Alternative Currency.

“Early Opt-in Election” means the occurrence of (i) a notification by the Administrative Agent and the Borrowers to each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and (ii) the joint election by the Administrative Agent and the Borrowers to trigger a fallback from USD LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 10.04(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 10.04(b)(iii)).

“EMU Legislation” means the legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency.

“Engagement Letter” means the engagement letter dated July 25, 2018 between the Arrangers and the Parent.

“Environmental Laws” means any and all federal, state, local, and foreign statutes, Laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions, including all common law, relating to pollution or the protection of health, safety or the environment or the release of any materials into the environment, including those related to Hazardous Materials, air emissions, discharges to waste or public systems and health and safety matters.

“Environmental Liability” means any liability or obligation, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), directly or indirectly, resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment, disposal or permitting or arranging for the disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” means, as to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with the Parent within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code or Section 302 of ERISA).

“ERISA Event” means (a) a Reportable Event with respect to a Pension Plan; (b) the failure by the Parent or any ERISA Affiliate to meet all applicable requirements under the Pension Funding Rules or the filing of an application for the waiver of the minimum funding standards under the Pension Funding Rules; (c) the incurrence by the Parent or any ERISA Affiliate of any liability pursuant to Section 4063 or 4064 of ERISA or a “substantial cessation of operations” with respect to a Pension Plan within the meaning of Section 4062(e) of ERISA (for which the exemption set forth in Section 4062(e)(3) of ERISA is not available); (d) a complete or partial withdrawal by the Parent or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization or insolvent (within the meaning of Title IV of ERISA); (e) the filing of a notice of intent to terminate a Pension Plan under, or the treatment of a Pension Plan amendment as a termination under, Section 4041 of ERISA; (f) the institution by the PBGC of proceedings to terminate a Pension Plan; (g) any event or condition that constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (h) the determination that any Pension Plan is in at-risk status (within the meaning of Section 430 of the Code or Section 303 of ERISA) or that a Multiemployer Plan is in endangered or critical status (within the meaning of Section 432 of the Code or Section 305 of ERISA); (i) the imposition or incurrence of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Parent or any ERISA Affiliate; (j) the engagement by the Parent or any ERISA Affiliate in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; (k) the imposition of a lien upon the Parent or any ERISA Affiliate pursuant to

Section 430(k) of the Code or Section 303(k) of ERISA; or (l) the making of an amendment to a Pension Plan that could result in the posting of bond or security under Section 436(f)(1) of the Code.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“EU CRD IV” means:

(a) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012 (“CRR”); and

(b) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (“CRD”).

“EURIBOR” has the meaning specified in the definition of “Eurocurrency Rate”.

“EURIBOR Rate” has the meaning specified in the definition of “Eurocurrency Rate”.

Legislation. “Euro” and “€” mean lawful currency of the Participating Member States introduced in accordance with the EMU

“Eurodollar

Period: “Eurocurrency Rate” means, with respect to any Eurocurrency Rate Loan for any Interest

(a) denominated in Dollars, the greater of (i) subject to the implementation of a Benchmark Replacement in accordance with Section 2.24 the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) appearing on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or on any successor or substitute page or service providing quotations of interest rates applicable to deposits for the relevant currency in the London interbank market comparable to those currently provided on such page, as determined by the Administrative Agent from time to time, the “USD LIBOR Rate”) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for deposits for the relevant currency with a maturity comparable to such Interest Period; provided that (A) if such rate is not available at such time for any reason, then the “Eurocurrency Rate” with respect to such Eurocurrency Rate Loan for such Interest Period shall be the Interpolated Rate, and (B) if the Interpolated Rate is not available, the “Eurocurrency Rate” shall be ABR and (ii) 0.00%; and

(b) denominated in Euros, the greater of (i) the rate per annum equal to the Euro Interbank Offered Rate (“EURIBOR”) as administered by the European Money Markets Institute (or any other Person that takes over the administration of such rate) for a period equal in length to such Interest Period, as displayed on the applicable Reuters page (or on any successor or substitute page or service providing such quotations as determined by the Administrative Agent from time to time; in each case, the “EURIBOR Rate”) at approximately 11:00 a.m. (Brussels time) two Business Days prior to the commencement of such Interest Period; provided that if such rate is not available at such time for any reason, then the “EURIBOR Rate” with respect to such Eurocurrency Rate Borrowing for such Interest Period shall be the Interpolated Rate and (ii) 0.00%.

“Eurocurrency Rate Borrowing” means, as to any Borrowing, the Eurocurrency Rate Loans comprising such Borrowing.

“Eurocurrency Rate Loan” means a Loan that bears interest at a rate based on the “Eurocurrency Rate” other than (a) pursuant to clause (c) of the definition of “ABR”, and (b) pursuant to clause (B) of the proviso to clause (a) of the definition of “Eurocurrency Rate”.

“Eurocurrency Reserve Percentage” means, for any day during any Interest Period, the reserve percentage in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the Federal Reserve Board for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding (currently referred to as “Eurocurrency liabilities” in Regulation D). The Adjusted ~~LIBO~~ Eurocurrency

Rate for each outstanding ~~LIBOR~~Eurocurrency Rate Loan shall be adjusted automatically as of the effective date of any change in the ~~Eurodollar~~Eurocurrency Reserve Percentage.

"Event of Default" has the meaning specified in Article VII.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the ~~Borrower~~Borrowers under Section 2.21(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.18, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.18(g) and (d) any withholding Taxes imposed under FATCA.

"Fair Share" has the meaning specified in Section 9.02.

"Fair Share Contribution Amount" has the meaning specified in Section 9.02.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"FATCA Deduction" means a deduction or withholding from a payment under a Loan Document required by FATCA.

"FCA" means the United Kingdom Financial Conduct Authority and any predecessor or successor body or bodies.

"FCPA" has the meaning specified in Section 3.18(b).

"Federal Funds Effective Rate" means, for any day, the greater of (a) the rate calculated by the Federal Reserve Bank of New York based on such day's Federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the Federal funds effective rate and (b) 0%.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States.

"Fee Letters" means the Administrative Agency Fee Letter, the Arrangers' Fee Letters and the Upfront Fee Letter.

"Financial Officer" means, as to any Person, the chief financial officer, principal accounting officer, treasurer or controller of such Person.

"First Amendment" means the First Amendment to Revolving Credit Agreement, dated as of December 19, 2018, in respect of this Agreement by and among the Loan Parties, the Administrative Agent and the Lenders party thereto.

"First Amendment Effective Date" has the meaning assigned to the term "Effective Date" in the First Amendment.

"Fitch" means Fitch Ratings Inc. "Floor" means 0.00%.

“Foreign Lender” means (a) if any Borrower is a U.S. Person, a Lender, with respect to such Borrower, that is not a U.S. Person, and (b) if any Borrower is not a U.S. Person, a Lender, with respect to such Borrower, that is resident or organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes.

“Foreign Plan” means any employee pension benefit plan, program, policy, arrangement or agreement maintained or contributed to by ~~the~~any Borrower or any Subsidiary with respect to employees employed outside the United States (other than any governmental arrangement).

“Fronting Arrangement” means an agreement or other arrangement by an Insurance Subsidiary pursuant to which an insurer or insurers agree to issue insurance policies at the request or on behalf of such Insurance Subsidiary and such Insurance Subsidiary assumes the obligations in respect thereof pursuant to a Reinsurance Agreement or otherwise.

“Fund” means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit in the ordinary course of its activities.

“Funding Guarantor” has the meaning specified in Section 9.02.

“GAAP” means, subject to Section 1.03, generally accepted accounting principles in the United States, or as appropriate locally, as in effect as of the date of determination thereof;

“Governmental Authority” means the government of the United States, Bermuda, or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Group” means the Parent and each of its Subsidiaries from time to time.

~~“Group Enhanced Capital Resources” means the capital resources of the Group which are, pursuant to the Insurance Act 1978 of Bermuda, as amended (including any rules and regulations promulgated thereunder), eligible to satisfy the Group Enhanced Capital Requirement.~~

“Group Enhanced Capital Requirement” means the enhanced capital requirement applicable to the Group pursuant to the Insurance (Group Supervision) Rules 2011 of Bermuda, as implemented and applied in Bermuda, and taking into account of any transitional measures and any capital add on permitted or applied by the Bermuda Monetary Authority.

“Group Enhanced Capital Resources” means the capital resources of the Group which are, pursuant to the Insurance Act 1978 of Bermuda, as amended (including any rules and regulations promulgated thereunder), eligible to satisfy the Group Enhanced Capital Requirement.

“Group Structure Chart” means the most recent group structure chart of the Group delivered to the Administrative Agent by the Parent on or prior to the date of this Agreement.

“Guarantee” means, as to any Person, any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part); provided that the term “Guarantee” shall not include (i) endorsements for collection or deposit in the ordinary course of business or (ii) obligations of any Insurance Subsidiary under Insurance Contracts, Reinsurance Agreements, Fronting Arrangements or Retrocession Agreements. The amount of any Guarantee made by any guarantor shall be deemed to be the lower of (A) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made and (B) the maximum amount for which such guarantor may be liable pursuant to the terms of the instrument embodying such Guarantee,

unless such primary obligation and the maximum amount for which such guarantor may be liable are not stated or determinable, in which case the amount of such Guarantee shall be such guarantor's maximum reasonably anticipated liability in respect thereof as determined by the Loan Parties in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guaranteed Obligations" has the meaning specified in Section 9.01.

"Guarantor" means each of the Borrowers and any Person who has executed a Guarantor Joinder Agreement or comparable guaranty documentation, as the case may be, reasonably satisfactory to the Administrative Agent, pursuant to Section 5.15 of this Agreement.

"Guarantor Joinder Agreement" means a Guarantor Joinder Agreement among the Parent, each applicable Guarantor and the Administrative Agent substantially in the form set out at Exhibit C (and with such changes thereto as shall be necessary or appropriate as reasonably agreed to by the Administrative Agent and the Parent).

"Guaranty" means the guaranty of each Guarantor set forth in Section 9.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes, and other substances or wastes of any nature regulated under or with respect to which liability or standards of conduct are imposed pursuant to any Environmental Law.

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

"Hybrid Capital" means any security that affords equity benefit to the issuer thereof (under the procedures and guidelines of S&P at the time of issuance of such security) by having ongoing payment requirements that are more flexible than interest payments associated with conventional indebtedness for borrowed money and by being contractually subordinated to such indebtedness.

"Incremental Commitment" has the meaning specified in Section ~~2.24~~2.25(a).

"Incremental Commitment Effective Date" has the meaning specified in Section ~~2.24~~2.25(e).

"Incremental Lender" has the meaning specified in Section ~~2.24~~2.25(d).

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;

(c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(d) net obligations of such Person under any Swap Contract;

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person, whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) any counter-indemnity or reimbursement obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution except in respect of an underlying liability of an entity which is a member of the Group;

(g) any amount of any liability under an advance or deferred purchase agreement if (1) one of the primary reasons behind entering into the agreement is to raise capital or (2) the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply (excluding any trade accounts payable in the ordinary course of business);

(h) any amount raised under any other transaction having the commercial effect of a borrowing;

(k) all Attributable Indebtedness;

(l) all obligations of such Person in respect of Disqualified Equity Interests, with the amount of Indebtedness represented by such Disqualified Equity Interests being equal to the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price, but excluding accrued dividends, if any (for purposes hereof, the "maximum fixed repurchase price" of any Disqualified Equity Interests that does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Equity Interest as if such Disqualified Equity Interest were purchased on any date on which Indebtedness shall be required to be determined pursuant to this Agreement, and if such price is based upon, or measured by, the fair market value of such Disqualified Equity Interest, such fair market value shall be determined reasonably and in good faith by the board of directors or other governing body of the issuer of such Disqualified Equity Interest); and

(m) the amount of any liability in respect of any Guarantees for any items referred to at (a) to (l) above.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation, limited liability company or other entity that provides for the limited liability of its owners) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any Indebtedness of any Person for purposes of clause (e) that is expressly made non-recourse or limited-recourse (limited solely to the assets securing such Indebtedness) to such Person shall be deemed to be equal to the lesser of (i) the aggregate principal amount of such Indebtedness and (ii) the fair market value of the property encumbered thereby as determined by such Person in good faith. Indebtedness shall not include (A) current trade payables (including current payables under insurance contracts and current reinsurance payables) and accrued expenses, in each case arising in the ordinary course of business, or (B) obligations of any Insurance Subsidiary under Policies, Reinsurance Agreements, Retrocession Agreements or Fronting Arrangements (including Guarantees of any such obligations) which are entered into in the ordinary course of business.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of a Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitee" has the meaning specified in Section 10.03(b). "Information" has the meaning specified in Section 10.12.

"Insurance Contract" means any insurance contract or policy issued by an Insurance Subsidiary that is not a Reinsurance Agreement, Fronting Arrangement or Retrocession Agreement.

"Insurance Subsidiary" means a member of the Group which is licensed by any Governmental Authority to engage in the insurance and/or reinsurance business.

"Interest Election Request" means a request by the Borrower to convert or continue a Borrowing in accordance with Section 2.07, which shall be in such form as the Administrative Agent may approve.

"Interest Payment Date" means (a) as to any ABR Loan, the last Business Day of each March, June, September and December and the Commitment Termination Date, and (b) as to any LIBORSONIA Loan, (i) each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such SONIA Loan; provided that, as to any such SONIA Loan, (1) if any such date would be a day other than a Business Day, such date shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such date shall be the next preceding Business Day and (2) the Interest Payment Date with respect to any Borrowing that occurs on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in any applicable calendar month) shall be the last Business Day of any such succeeding applicable calendar month; provided, that for purposes of this clause (b), the date of a Borrowing of a Loan initially shall be the date on which such Loan is made and thereafter shall be the effective date of the most recent conversion or continuation of such Loan or Borrowing, and (ii) the Commitment Termination Date, and (c) as to any

Eurocurrency Rate Loan, the last day of each Interest Period therefor and, in the case of any Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at three-month intervals after the first day of such Interest Period, and the Commitment Termination Date.

"Interest Period" means, as to any ~~LIBO Rate Loan or~~ Borrowing, the period commencing on the date of such Loan or Borrowing and ending on the numerically corresponding day in the calendar month that is one, ~~two~~, three or six months thereafter, as specified in the applicable Borrowing Request or Interest Election Request; provided that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, ~~(iii) no tenor that has been removed from this definition pursuant to Section 2.24(d) shall be available for specification in such Borrowing Request or Interest Election Request~~ and ~~(iiiiv)~~ (iv) no Interest Period shall extend beyond the Commitment Termination Date. For purposes hereof, the date of a Loan or Borrowing initially shall be the date on which such Loan or Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Loan or Borrowing.

"Interpolated Rate" means, at any time, with respect to any Eurocurrency Rate Borrowings and for any Interest Period, the rate per annum determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the ~~London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) appearing on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or on any successor or substitute page or service providing quotations of interest rates applicable to deposits in the relevant currency in the London interbank market comparable to those currently provided on such page, as determined by the Administrative Agent from time to time; in each case the~~ "Screen Rate") for the longest period (for which that Screen Rate is available) that is shorter than the Interest Period and (b) the Screen Rate for the shortest period (for which that Screen Rate is available) that exceeds the Interest Period, in each case, ~~(x) in the case of any Eurocurrency Rate Borrowings denominated in Dollars, at approximately 11:00 a.m., (London time,) two Business Days prior to the commencement of such Interest Period, and (y) in the case of any Eurocurrency Rate Borrowings denominated in Euros, at approximately 11:00 a.m. (Brussels time) two Business Days prior to the commencement of such Interest Period.~~

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests or debt or other securities of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor incurs Indebtedness of the type referred to in clause ~~(h)~~ (k) of the definition of "Indebtedness" in respect of such other Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of all or substantially all of the property and assets or business of another Person or assets constituting a business unit, line of business or division of such Person. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment but giving effect to any returns or distributions of capital or repayment of principal actually received in case by such Person with respect thereto.

"Investment Entity" means any Investment Fund, Investment Fund GP, or Investment Fund Manager.

"Investment Fund" means InRe Fund, L.P. ("InRe Fund") and any replacement or successor investment funds to InRe Fund that, in the reasonable discretion of the Parent, are necessary or desirable to consummate a transaction or series of transactions that cause InRe Fund (and its replacement or successor investment funds) to not be required to be consolidated with Parent pursuant to GAAP provided, that (i) at least 95% of the limited partnership interests in such consolidated investment funds that are held directly or indirectly by the Parent or Subsidiaries of the Parent are held by Cavello Bay Reinsurance Limited, (ii) no entity which was Controlled by the Parent prior to the completion of the InRe Transaction (as defined in the Third Amendment) shall be an Investment Fund and (iii) each Investment Fund shall have an Investment Fund GP. For the avoidance of doubt, clause (ii) of the proviso to the preceding sentence shall not exclude InRe Fund or any replacement or successor investment fund from the definition of Investment Fund. For the avoidance of doubt, any investment fund for which clauses (i), (ii) and (iii) of the proviso above are not satisfied, shall not be an "Investment Fund".

“Investment Fund GP” means any limited liability entity that is a general partner of any Investment Fund whose assets are limited to interests in an Investment Fund or Investment Funds and other amounts received and receivable in respect of Contractual Obligations with an Investment Fund or Investment Funds.

“Investment Fund Manager” means any Person that provides fund management services to an Investment Fund, including AnglePoint Asset Management Limited; provided that if such Person is Controlled by the Parent or any of its Subsidiaries, such Person’s activities and assets shall be limited to providing such fund management services.

“IRS” means the United States Internal Revenue Service.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“Joinder Agreement” means a joinder or similar agreement entered into by any Person (including any Lender) under Section 2-242.25 pursuant to which such Person shall provide an Incremental Commitment hereunder and (if such Person is not then a Lender) shall become a Lender party hereto.

“Laws” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“Lenders” means the Persons listed on Schedule 2.01 and any other Person that shall have become party hereto pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

~~“LIBO Rate” means, with respect to any LIBO Rate Loan for any Interest Period, the greater of (a) subject to the implementation of a Replacement Rate in accordance with Section 2.19, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) appearing on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or on any successor or substitute page or service providing quotations of interest rates applicable to deposits for the relevant currency in the London interbank market comparable to those currently provided on such page, as determined by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period (or, in the case of a LIBO Rate Loan denominated in Sterling, on the first day of such Interest Period), as the rate for deposits for the relevant currency with a maturity comparable to such Interest Period; provided that (i) if such rate is not available at such time for any reason, then the “LIBO Rate” with respect to such LIBO Rate Loan for such Interest Period shall be the Interpolated Rate, and (i) if the Interpolated Rate is not available, the “LIBO Rate” with respect to such LIBO Rate Loan for such Interest Period shall be the offered quotation rate to first class banks in the London interbank market by the Person that is the Administrative Agent for deposits (for delivery on the first day of the relevant period) in the relevant currency of amounts in same day funds comparable to the principal amount of the applicable Loan of such Person, in its capacity as a Lender (or, if it is not a Lender of such Loan, in such amount determined by the Administrative Agent) for which the LIBO Rate is then being determined with maturities comparable to such Interest Period at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period (or, in the case of a LIBO Rate Loan denominated in Sterling, on the first day of such Interest Period) and (b) 0.00%. Unless otherwise specified in any amendment to this Agreement entered into in accordance with Section 2.19, in the event that a Replacement Rate with respect to the LIBO Rate is implemented, then all references herein to the LIBO Rate shall be deemed references to such Replacement Rate.~~

~~“LIBO Rate Borrowing” means, as to any Borrowing, the LIBO Rate Loans comprising such Borrowing.~~

~~“LIBO Rate Loan” means a Loan that bears interest at a rate based on the “LIBO Rate.”~~

“Lien” means any mortgage, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention)

agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Loan” means a loan made by a Lender to a Borrower pursuant to Section 2.01(a).

“Loan Documents” means, collectively, this Agreement, any promissory notes issued pursuant to Section 2.13(b), the Fee Letters, any Guarantor Joinder Agreement and any other documents entered into in connection herewith.

“Loan Parties” means, collectively, the Parent, the Borrowers and the Guarantors.

“Margin Stock” means margin stock within the meaning of Regulations T, U and X.

“Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect on, the operations, business or financial condition of the Parent and its Subsidiaries taken as a whole; or (b) a material adverse effect on (i) the ability of a Loan Party to perform its payment obligations under the Loan Documents, or (ii) the rights, remedies and benefits available to, or conferred upon, the Administrative Agent or any Lender under any Loan Documents.

“Material Subsidiary” means a Subsidiary of the Parent that after the elimination of intercompany accounts, has total assets in excess of 10% of the consolidated total assets of the Parent and its Subsidiaries based upon and as of the date of delivery of the most recent consolidated financial statements of the Parent and its Subsidiaries furnished pursuant to Section 4.01(i) or Section 5.01, as applicable.

“Maximum Rate” has the meaning specified in Section 10.14.

“Multiemployer Plan” means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which a Loan Party or any ERISA Affiliate either currently or during the preceding five plan years, has made or been obligated to make contributions, or has any liability.

“Multiple Employer Plan” means a Plan with respect to which a Loan Party or any ERISA Affiliate is a contributing sponsor, and that has two or more contributing sponsors at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

“Net Worth” means, in relation to any member of the Group, at any time, the aggregate of the shareholders’ equity determined in accordance with GAAP of such Group member at such time.

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all or all affected Lenders in accordance with the terms of Section 10.02 and (b) has been approved by the Required Lenders.

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“Obligations” means all advances to, and debts, liabilities, obligations, covenants and duties of, a Loan Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against a Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the foregoing, the Obligations include (a) the obligation to pay principal, interest, charges, expenses, fees, indemnities and other amounts payable by a Loan Party under any Loan Document and (b) the obligation of a Loan Party to reimburse any amount in respect of any of the foregoing that the Administrative Agent or any Lender, in each case in its sole discretion, may elect to pay or advance on behalf of such Loan Party.

“OFAC” has the meaning specified in Section 3.18(a).

“Offer Period” has the meaning specified in Section 2.25(b).

“Organizational Documents” means (a) as to any corporation, the charter or certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction), (b) as to any limited liability company, the certificate or articles of formation or organization and operating or limited liability agreement and (c) as to any partnership, joint venture, trust or

other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.21(b)).

“Parent” means Enstar Group Limited, an exempted company limited by shares and incorporated in Bermuda.

10.04(d). “Participant” has the meaning specified in Section 10.04(d). “Participant Register” has the meaning specified in Section

“Participating Member State” means any member state of the European Union that has the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“PATRIOT Act” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“Payment in Full” or “Pay in Full” or “Paid in Full” means the payment in full in cash of all Obligations (or Guaranteed Obligations, as applicable) (other than indemnities and other contingent obligations not yet due and payable under any Loan Documents) and termination or expiration of all Commitments.

“PBGC” means the Pension Benefit Guaranty Corporation. “Pension Act” means the Pension Protection Act of 2006.

“Pension Funding Rules” means the rules of the Code and ERISA regarding minimum funding standards and minimum required contributions (including any installment payment thereof) to Pension Plans and Multiemployer Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Sections 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

“Pension Plan” means any employee pension benefit plan (including a Multiple Employer Plan, but excluding a Multiemployer Plan) that is maintained or is contributed to by a Loan Party or any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

“Permitted Share Issue” means an issue of shares by a member of the Group (other than the Parent) which is a Subsidiary to its immediate Holding Company.

“Person” means any natural Person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any employee benefit plan within the meaning of Section 3(3) of ERISA, maintained for employees of a Loan Party or any ERISA Affiliate, or any such plan to which a Loan Party or any ERISA Affiliate is required to contribute on behalf of any of its employees or with respect to which ~~the a~~ Loan Party has any liability.

“Platform” means Debt Domain, Intralinks, Syndtrak, DebtX or a substantially similar electronic transmission system.

“Policies” means all insurance and annuity policies and contracts, guaranteed interest contracts, guaranteed investment contracts, and funding agreements, and similar undertakings or arrangements (including riders to any such policies or contracts, certificates issued with respect to life insurance or annuity contracts and any contracts issued in connection with retirement plans or arrangements) and assumption certificates issued or to be issued (or filed pending current review by applicable Governmental Authorities) by any Insurance Subsidiary and any coinsurance agreements entered into or to be entered into by any Insurance Subsidiary.

“PRA” means the United Kingdom Prudential Regulation Authority and any predecessor or successor body or bodies.

“Prepayment Notice” means a notice by a Borrower to prepay Loans, which shall be in such form as the Administrative Agent may approve.

“Prime Rate” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“Private Act” means separate legislation enacted in Bermuda with the intention that such legislation apply specifically to any Loan Party (not being legislation of general public application), in whole or in part.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Quarter Date” means each of March 31, June 30, September 30 and December 31.

“Recipient” means the Administrative Agent or any Lender, as applicable.

“Reference Time” with respect to any setting of the then-current Benchmark for any currency means (1) if such Benchmark is USD LIBOR, 11:00 a.m. (London time) on the day that is two Business Days preceding the date of such setting, (2) if such Benchmark is EURIBOR, 11:00 a.m. (Brussels, Belgium time) on the day that is two Business Days preceding the date of such setting, (3) if such Benchmark is Daily Simple SONIA, then four (4) Business Days prior to (x) if the date of such setting is a Business Day, such date, or (y) if the date of such setting is not a Business Day, the Business Day immediately preceding such date, and (4) otherwise, then the time determined by the Administrative Agent in its reasonable discretion, including in accordance with the Benchmark Replacement Conforming Changes.

“Register” has the meaning specified in Section 10.04(c).

“Regulation” has the meaning specified in Section 3.17.

“Regulation D” means Regulation D of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation T” means Regulation T of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation U” means Regulation U of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation X” means Regulation X of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Reinsurance Agreement” means any agreement, contract, treaty, certificate or other arrangement whereby any Insurance Subsidiary agrees to transfer, cede or retrocede to another insurer or reinsurer all or part of the liability assumed or assets held by such Insurance Subsidiary under a policy or policies of insurance issued by such Insurance Subsidiary.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors, attorneys-in-fact and representatives of such Person and of such Person’s Affiliates.

“Relevant Governmental Body” means (a) if the applicable Benchmark is denominated in, or calculated with respect to, Dollars, the Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto and (b) if the applicable Benchmark is denominated in, or calculated with respect to, any other currency, (i) the central bank for such currency or any central bank or other supervisor that is responsible for supervising either the applicable Benchmark Replacement or the administrator of the applicable Benchmark Replacement, (ii) any working group or committee officially endorsed or convened by any such central bank or administrator, (iii) any group of those central banks or other supervisors, or (iv) the Financial Stability Board or any part thereof.

“Removal Effective Date” has the meaning specified in Section 8.06(b).

~~“Replacement Rate” has the meaning specified in Section 2.19.~~

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30-day notice period has been waived.

“Required Lenders” means, at any time, Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time.

“Resignation Effective Date” has the meaning specified in Section 8.06(a).

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means (a) the chief executive officer, president, executive officer or a Financial Officer of a Loan Party, (b) solely for purposes of the delivery of incumbency certificates and certified Organizational Documents and resolutions pursuant to Section 4.01, any secretary or assistant secretary of a Loan Party and (c) solely for purposes of Borrowing Requests, prepayment notices and notices for Commitment terminations or reductions given pursuant to Article II, any other officer or employee of a Loan Party so designated from time to time by one of the officers described in clause (a) in a notice to the Administrative Agent (together with evidence of the authority and capacity of each such Person to so act in form and substance satisfactory to the Administrative Agent). Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interest of any Person, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interest, or on account of any return of capital to such Person’s shareholders, partners or members (or the equivalent Persons thereof).

“Retrocession Agreement” means any agreement, contract, treaty or other arrangement whereby one or more insurers or reinsurers, as retrocessionaires, assume liabilities of reinsurers under a Reinsurance Agreement or other retrocessionaires under another Retrocession Agreement.

“Revaluation Date” means with respect to any Loan, each of the following: (a) each date of a Borrowing denominated in an Alternative Currency and (b) such additional dates as the Administrative Agent shall determine or the Required Lenders shall require.

“Revolving”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are made pursuant to Section 2.01.

“Revolving Availability Period” means the period from and including the Closing Date to but excluding the Commitment Termination Date.

“Revolving Credit Exposure” means, as to any Lender at any time, the aggregate principal amount at such time of its outstanding Loans.

“Revolving Facility.” means the Commitments and all Credit Extensions thereunder.

“S&P” means Standard & Poor's Financial Services LLC.

“Sanctions” has the meaning specified in Section 3.18(a).

~~“Screen Rate” has the meaning specified in the definition of the term “Interpolated Rate”.~~

“Screen Rate” means, for any Eurocurrency Rate Loan denominated in Dollars, the USD LIBOR Rate, and for any Eurocurrency Rate Loan denominated in Euros, the EURIBOR Rate.

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Shareholders' Equity” means, as of any date of determination, consolidated shareholders' equity of the Parent as of such date determined in accordance with GAAP.

“SOFR” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator's Website” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“Solvent” means, as to any Person as of any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair saleable value of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature and (d) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person's property would constitute an unreasonably small capital. The amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“SONIA” means a rate equal to the Sterling Overnight Index Average as administered by the SONIA Administrator.

“SONIA Administrator” means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

“SONIA Administrator's Website” means the Bank of England's website, currently at <http://www.bankofengland.co.uk>, or any successor source for the Sterling Overnight Index Average identified as such by the SONIA Administrator from time to time.

“SONIA Borrowing” means, as to any Borrowing, the Loans bearing interest at a rate based on Daily Simple SONIA comprising such Borrowing.

“SONIA Loan” means a Loan that bears interest at a rate based on Daily Simple SONIA.

“SONIA Rate Day” has the meaning specified in the definition of “Daily Simple SONIA”.

“Spot Rate” for a currency means the rate determined by the Administrative Agent to be the rate quoted by the Administrative Agent as the spot rate for the purchase of such currency with another currency through its principal foreign exchange trading office at approximately ~~11:00~~ 11:00 a.m. on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that the Administrative Agent may obtain such spot rate from another financial institution designated by the

Administrative Agent if the Administrative Agent does not have as of the date of determination a spot buying rate for any such currency.

“Sterling” and “£” mean lawful currency of the United Kingdom.

“Subsidiary” of a Person means, subject to the last sentence of this definition, a corporation, partnership, limited liability company, association or joint venture or other business entity of which a majority of the Equity Interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time owned or the management of which is controlled, directly, or indirectly through one or more intermediaries, by such Person. Unless otherwise specified, subject to the last sentence of this definition, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of a Loan Party. For all purposes of this Agreement and the other Loan Documents, the term “Subsidiary” or “Subsidiaries” shall not include any Investment Fund, Investment Fund Manager or Investment Fund GP.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, that are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “Master Agreement”), including any such obligations or liabilities under any Master Agreement.

“Swap Termination Value” means, as to any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“Syndication Agent” means each of Barclays Bank PLC and Wells Fargo Bank, National Association.

“Synthetic Lease Obligation” means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

“TARGET Day” means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) payment system (or any successor settlement system as determined by the Administrative Agent) is open for the settlement of payments in Euro.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Loan Credit Agreement” means that certain Term Loan Credit Agreement, dated on or about the First Amendment Effective Date, by and among the Parent, Kenmare Holdings Ltd., Enstar (US Asia-Pac) Holdings Limited and Enstar Holdings (US) LLC, the lenders party thereto, Wells Fargo Bank, National Association and the other parties party thereto, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“Term Loan Credit Documents” means the Term Loan Credit Agreement and any other document, instrument, certificate and agreement entered into in connection therewith, including any fee letters, promissory notes and guarantor joinder agreements.

“Term SOFR” means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“Third Amendment” means that certain Third Amendment to Revolving Credit Agreement, Waiver & Consent dated as of March 31, 2021.

“Total Capital” means, in respect of any date, the sum of (a) the Consolidated Financial Indebtedness on such date (excluding, to the extent otherwise included, all Hybrid Capital), (b) the Consolidated Net Worth on such date and (c) the aggregate principal amount of all Hybrid Capital on such date.

“Total Credit Exposure” means, as to any Lender at any time, the unused Commitments and Revolving Credit Exposure of such Lender at such time.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted ~~LIBOR~~ Eurocurrency Rate, Daily Simple SONIA or the ABR.

“UK” means the United Kingdom of Great Britain and Northern Ireland.

“UK Borrower” means Enstar (US Asia-Pac) Holdings Limited, or any other entity incorporated and resident, for tax purposes, in the UK and designated as a Borrower.

“UK Borrower DTTP Filing” means an HM Revenue & Customs’ Form DTTP2 duly completed and filed by the relevant UK Borrower, which where it relates to a UK Treaty Lender who is a UK Treaty Lender on the date of this Agreement contains the scheme reference number and jurisdiction of tax residence provided by the relevant UK Treaty Lender pursuant to Section 2.18(g)(iii), and is filed with HM Revenue & Customs: (a) within 30 days of the date of this Agreement; or (b) if a UK Treaty Lender becomes a party hereunder after the date of this Agreement which contains the scheme reference number and jurisdiction of tax residence stated by the UK Treaty Lender and is filed within 30 days of the date on which that UK Treaty Lender becomes a party under this Agreement.

“UK CTA” means the UK Corporation Tax Act 2009.

“UK CRD IV” means:

(a) CRR as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the “Withdrawal Act”);

(b) the law of the United Kingdom or any part of it, which immediately before IP completion day (as defined in the European Union (Withdrawal Agreement) Act 2020 (“WAA”)) implemented CRD and its implementing measures;

(c) direct EU legislation (as defined in the Withdrawal Act), which immediately before IP completion day (as defined in the WAA) implemented EU CRD IV as it forms part of domestic law of the United Kingdom by virtue of the Withdrawal Act; and

(d) any law or regulation of the United Kingdom which introduces into domestic law of the United Kingdom a provision which is equivalent to a provision set out in CRR or CRD and/or implements Basel III standards.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended ~~from~~ from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK ITA” means the UK Income Tax Act 2007.

“UK Qualifying Lender” means (a) a Lender which is beneficially entitled to interest payable to that Lender in respect of an advance to a UK Borrower and is (i) a Lender: (1) which is a bank (as defined for the purposes of section 879 of the UK ITA) making an advance to a UK Borrower under a Loan Document; or

(2) in respect of an advance made under a Loan Document to a UK Borrower by a person that was a bank (as defined for the purpose of section 879 of the UK ITA) at the time the advance was made, and which, with respect to (1) and (2) above, is within the charge to UK corporation tax as regards any payment of interest made in respect of that advance or (in the case of (1) above) which is a bank (as so designated) that would be within the charge to UK corporation tax as regards any payment of interest made in respect of that advance apart from section 18A of the UK CTA; or (ii) a Lender which is: (1) a company resident in the UK for UK tax purposes or (2) a company not so resident in the UK which carries on a trade in the UK through a permanent establishment and which brings into account interest payable in respect of that advance in computing its chargeable profits (within the meaning given by section 19 of the UK CTA); (3) a partnership each member of which is: (i) a company so resident in the UK; or (ii) a company not so resident in the UK which carries on a trade in the UK through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the UK CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the UK CTA; or (iii) a UK Treaty Lender; or (iv) a building society (as defined for the purpose of section 880 UK ITA) making an advance under a Loan Document.

“UK Qualifying Non-Bank Lender” means a Lender in respect of a UK Borrower which gives a UK Tax Confirmation in the Assignment and Assumption which it executes on becoming a party to this Agreement.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“UK Tax Confirmation” means a confirmation by a Lender in respect of a UK Borrower that the person beneficially entitled to interest payable to that Lender in respect of an advance to a UK Borrower under a Loan Document is either: (a) a company resident in the UK for UK tax purposes; or (b) a company not so resident in the UK which carries on a trade in the UK through a permanent establishment and which brings into account interest payable in respect of that advance in computing its chargeable profits (within the meaning given by section 19 of the UK CTA) or (c) a partnership each member of which is (i) a company so resident in the UK; or (ii) a company not so resident in the UK which carries on a trade in the UK through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the UK CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the UK CTA.

“UK Tax Deduction” means a deduction or withholding for or on account of Taxes imposed by the UK from a payment under a Loan Document other than a FATCA Deduction.

“UK Treaty” means the double taxation agreement between the jurisdiction in which the relevant lender is treated as resident which has a double taxation agreement with the UK which makes provision for full exemption from tax imposed by the UK on interest and the UK.

“UK Treaty Lender” means a Lender in respect of a UK Borrower which: (a) is treated as a resident of a jurisdiction having a double taxation agreement with the UK which makes provision for full exemption from tax imposed by the UK on interest; (b) does not carry on a business in the UK through a permanent establishment with which that Lender's participation in respect of a Loan to a UK Borrower is effectively connected; and (c) fulfils any conditions which must be fulfilled under that double taxation agreement to obtain full exemption from UK tax on interest payable to that Lender in respect of an advance under a Loan Document other than the completion of procedural formalities.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“United States” and “U.S.” mean the United States of America.

“Upfront Fee Letter” means the upfront fee letter dated on or about the date hereof between the Parent and the Administrative Agent.

“USD LIBOR” means the London interbank offered rate for U.S. dollars.

“USD LIBOR Rate” has the meaning specified in the definition of “Eurocurrency Rate”.

“U.S. Borrower” means any Borrower that is a U.S. Person.

“U.S. Person” means any Person that is a “United States person” as defined in Section 7701(a)(30) of the Code.

“U.S. Tax Compliance Certificate” has the meaning specified in Section 2.18(g).

“Wholly-Owned” means, as to a Subsidiary of a Person, a Subsidiary of such Person all of the outstanding Equity Interests of which (other than (a) director’s qualifying shares and (b) shares issued to foreign nationals to the extent required by Applicable Law) are owned by such Person and/or by one or more Wholly-Owned Subsidiaries of such Person.

“Withholding Agent” means each Loan Party and the Administrative Agent.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein,” “hereof” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (f) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

#### SECTION 1.03 Accounting Terms; Changes in GAAP.

(a) Accounting Terms. Except as otherwise expressly provided herein, all accounting terms not otherwise defined herein shall be construed in conformity with GAAP. Financial statements and other information required to be delivered by any Loan Party to the Lenders pursuant to Sections 5.01(a) and 5.01(b) shall be prepared in accordance with GAAP as in effect at the time of such preparation. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of any Loan Party and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded. For the avoidance of doubt, any obligations relating to a lease accounted for by any Loan Party as an operating lease under FASB ASC Topic 840 or under FASB ASC Topic 842 shall be accounted for as an operating lease and not as a Capitalized Lease.

(b) Changes in GAAP. If a Loan Party notifies the Administrative Agent that such Loan Party requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Loan Parties that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

SECTION 1.04 Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, (a) the administration of, submission of, calculation of or any other matter related to ~~the~~ any Benchmark or the Eurocurrency Rate, any component definition thereof or rates

referenced in the definition of "LIBO Rate" thereof or with respect to any alternative, comparable or successor rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, comparable or successor rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, such Benchmark or any other Benchmark, or (b) the effect, implementation or composition of any Benchmark Replacement Conforming Changes.

#### SECTION 1.05 Exchange Rates; Currency Equivalents.

(a) The Administrative Agent shall determine the Spot Rates as of each Revaluation Date to be used for calculating the Dollar Amount equivalent of Credit Extensions and any portion of the outstanding Loans denominated in Alternative Currencies. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by the Loan Parties hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for the purposes of Loan Documents shall be such Dollar Amount equivalent as so determined by the Administrative Agent.

(b) Wherever in this Agreement in connection with a Borrowing, continuation or prepayment of a Loan, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Loan is denominated in an Alternative Currency, such amount shall be the relevant Alternative Currency Amount equivalent of such Dollar Amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the Administrative Agent.

#### SECTION 1.06 Change of Currency.

(a) Each obligation of a Loan Party to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro as its lawful currency after the date hereof shall be redenominated into Euros at the time of such adoption (in accordance with the EMU Legislation). If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the London interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; provided that if any Borrowing in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Borrowing, at the end of the then current Interest Period.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate (and which are acceptable to the Parent (acting reasonably)) to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro.

(c) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate (and which are acceptable to the Parent (acting reasonably)) to reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

## ARTICLE II

### COMMITMENTS AND CREDIT EXTENSIONS

SECTION 2.01 Commitments. Subject to the terms and conditions set forth herein, each Lender severally agrees to make Loans in Dollars or in an Alternative Currency to the Borrowers from time to time on any Business Day during the Revolving Availability Period in an aggregate principal amount that will not result in (a) such Lender's Revolving Credit Exposure exceeding such Lender's Commitment or (b) the total Revolving Credit Exposures exceeding the total Commitments. Within the foregoing limits and subject to the terms and conditions set forth herein, the ~~Borrower~~Borrowers may borrow, prepay and reborrow Loans. Loans may be ABR Loans, SONIA Loans or ~~LIBO~~Eurocurrency Rate Loans, as further provided herein.

#### SECTION 2.02 Loans and Borrowings.

(a) Borrowings. Each Loan shall be made as part of a Borrowing consisting of Loans of the same Type and currency made by the Lenders ratably in accordance with their respective Commitments.

(b) Type of Loans. Subject to Section 2.19 and 2.24, each Borrowing shall be comprised entirely of ABR Loans, SONIA Loans or LIBOR Eurocurrency Rate Loans having the same Interest Period or tenor as a Borrower may request in accordance herewith. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of such Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) Minimum Amounts; Limitation on Number of Borrowings. Each LIBOR Eurocurrency Rate Borrowing shall be in an aggregate amount of \$5,000,000 or a larger multiple of \$100,000 (or, with respect to any LIBOR Eurocurrency Rate Borrowing drawn in an Alternative Currency, the Dollar Amount equivalent). Each SONIA Borrowing shall be in an aggregate amount of the Dollar Amount of \$5,000,000 or a larger multiple of the Dollar Amount of \$100,000. Each ABR Borrowing shall be in an aggregate amount equal to \$5,000,000 or a larger multiple of \$100,000; provided that an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the Commitments. Borrowings of more than one Type may be outstanding at the same time; provided that there shall not be more than a total of 20 LIBOR Eurocurrency Rate Borrowings, SONIA Borrowings and/or ABR Borrowings in aggregate outstanding at any time.

### SECTION 2.03 Borrowing Requests.

(a) Notice by Borrower. Each Borrowing shall be made upon a Borrower's irrevocable notice to the Administrative Agent. Each such notice shall be in the form of a written Borrowing Request, appropriately completed and signed by a Responsible Officer of such Borrower, or may be given by e-mail to the Administrative Agent (if promptly confirmed by such a written Borrowing Request consistent with such e-mail notice) and must be received by the Administrative Agent (i) in the case of a LIBOR Eurocurrency Rate Borrowing denominated in Dollars, not later than 11:00 a.m. (New York City time) three Business Days prior to the date of the requested Borrowing (or, in respect of the initial Borrowing hereunder, such shorter period as the Administrative Agent may agree), (ii) in the case of a LIBOR Eurocurrency Rate Borrowing denominated in an Alternative Currency, not later than 11:00 a.m. (London time) three Business Days prior to the date of the requested Borrowing, (iii) in the case of a SONIA Borrowing, not later than 11:00 a.m. (London time) three Business Days prior to the date of the requested Borrowing, or (iv) in the case of an ABR Borrowing, not later than 11:00 a.m. (New York City time) two Business Day prior to the date of the requested Borrowing.

(b) Content of Borrowing Requests. Each Borrowing Request for a Borrowing pursuant to this Section shall specify the following information in compliance with Section 2.02: (i) the name of the applicable Borrower, (ii) the aggregate amount and currency of the requested Borrowing; (iii) the date of such Borrowing (which shall be a Business Day); (iv) whether such Borrowing is to be an ABR Borrowing, a SONIA Borrowing or a LIBOR Eurocurrency Rate Borrowing; (v) in the case of a LIBOR Eurocurrency Rate Borrowing, the Interest Period therefor; and (vi) the location and the account number of such Borrower's bank account to which the funds are to be disbursed.

(c) Notice by Administrative Agent to Lenders. Promptly following receipt of a Borrowing Request, the Administrative Agent shall advise each Lender of the details thereof and the amount of such Lender's Loan to be made as part of the requested Borrowing.

(d) Failure to Elect. If no election as to the currency of a Borrowing is specified, then the requested Borrowing shall be denominated in Dollars. If no election as to the Type of a Borrowing is specified in the applicable Borrowing Request, then the requested Borrowing shall be a LIBOR Rate, (i) in the case of a Borrowing in Dollars or any Alternative Currency other the Sterling, a Eurocurrency Rate Borrowing, and (ii) in the case of a Borrowing in Sterling, a SONIA Borrowing. If no Interest Period is specified with respect to any LIBOR Eurocurrency Rate Borrowing, the applicable Borrower shall be deemed to have selected an Interest Period of one month's duration.

### SECTION 2.04 Reserved.

### SECTION 2.05 Reserved.

### SECTION 2.06 Funding of Borrowings.

(a) Funding by Lenders. Each Lender shall make the amount of each Borrowing to be made by it hereunder on the proposed date thereof by wire transfer in immediately available funds by not later than (i) 1:00 p.m., London time, in the case of LIBOR Eurocurrency Rate Loans or SONIA Loans or (ii) 1:00 p.m. New York City time in the case of ABR Loans, in each case to the Administrative Agent in the applicable currency at the Administrative Agent's Office applicable to such Loan. The Administrative Agent will make all such funds so received available to the applicable Borrower in like funds, by wire transfer of such funds in accordance with the instructions provided in the applicable Borrowing Request

(b) Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.06(a) and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the applicable Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of a payment to be made by such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, and (ii) in the case of a payment to be made by the applicable Borrower, the interest rate applicable to ABR Loans. If the applicable Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the applicable Borrower the amount of such interest paid by the applicable Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by a Borrower shall be without prejudice to any claim such Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

#### SECTION 2.07 Interest Elections.

(a) Elections by Borrower for Borrowings. The Loans comprising each Borrowing initially shall be of the Type and currency specified in the applicable Borrowing Request and, in the case of a LIBOR Eurocurrency Rate Borrowing, shall have the Interest Period specified in such Borrowing Request. Thereafter, the applicable Borrower may elect to convert such Borrowing to a Borrowing of a different Type or to continue such Borrowing as a Borrowing of the same Type and, in the case of a LIBOR Eurocurrency Rate Borrowing, may elect the Interest Period therefor, all as provided in this Section. Such Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) Notice of Elections. Each such election pursuant to this Section shall be made upon the applicable Borrower's irrevocable notice to the Administrative Agent. Each such notice shall be in the form of a written Interest Election Request, appropriately completed and signed by a Responsible Officer of such Borrower, or may be given by e-mail to the Administrative Agent (if promptly confirmed in writing by delivery of such a written Interest Election Request consistent with such e-mail notice) and must be received by the Administrative Agent not later than the time that a Borrowing Request would be required under Section 2.03 if such Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election.

(c) Content of Interest Election Requests. Each Interest Election Request pursuant to this Section shall specify the following information in compliance with Section 2.02:

- (i) the name of the applicable Borrower;
- (ii) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);
- (iii) the applicable currency for such Borrowing;
- (iv) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(v) whether, in the case of a Borrowing denominated in Dollars, the resulting Borrowing is to be an ABR Borrowing or ~~LIBO~~Eurocurrency Rate Borrowing;

(vi) whether, in the case of a Borrowing denominated in any Alternative Currency, the resulting Borrowing is to be a SONIA Borrowing or a Eurocurrency Rate Borrowing; and

~~(vii)~~(vi) if the resulting Borrowing is a ~~LIBO~~Eurocurrency Rate Borrowing, the Interest Period therefor after giving effect to such election.

(d) Notice by Administrative Agent to Lenders. Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and such Lender's portion of each resulting Borrowing.

(e) Failure to Elect; Events of Default. If the applicable Borrower fails to deliver a timely and complete Interest Election Request with respect to a SONIA Borrowing prior to the Interest Payment Date therefor, then, unless such SONIA Borrowing is repaid as provided herein, the applicable Borrower shall be deemed to have selected that such SONIA Borrowing shall automatically be continued as a SONIA Borrowing bearing interest at a rate based upon Daily Simple SONIA as of such Interest Payment Date. If the applicable Borrower fails to deliver a timely and complete Interest Election Request with respect to a ~~LIBO~~Eurocurrency Rate Borrowing prior to the end of the Interest Period therefor, then, unless such ~~LIBO~~Eurocurrency Rate Borrowing is repaid as provided herein, such Borrower shall be deemed to have selected that such ~~LIBO~~Eurocurrency Rate Borrowing shall, at the end of such Interest Period, remain as a ~~LIBO~~Eurocurrency Rate Borrowing and such Borrower shall be deemed to have selected an Interest Period of one month's duration. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Parent, then, so long as such Event of Default is continuing, outstanding ~~LIBO~~Eurocurrency Rate Borrowings may only be continued for Interest Periods of one month's duration.

#### SECTION 2.08 Prepayments.

(a) Optional Prepayments. Each applicable Borrower may, upon notice to the Administrative Agent, at any time and from time to time prepay any Borrowing in whole or in part without premium or penalty, subject to the requirements of this Section.

(b) Mandatory Prepayments in respect of Currency Fluctuations. Promptly upon the receipt by the Administrative Agent of a Currency Valuation Notice (as defined below), the Administrative Agent shall determine the aggregate outstanding principal or face amount of all Loans denominated in Alternative Currencies. For the purpose of this determination, the outstanding principal of any Loan denominated in an Alternative Currency shall be deemed to be the Dollar Amount equivalent of such Loan determined as of such date or, in the case of a Currency Valuation Notice received by the Administrative Agent prior to 10:00 a.m., London time, on a Business Day, on such Business Day or, in the case of a Currency Valuation Notice otherwise received, on the first Business Day after such Currency Valuation Notice is received. Upon making such determination, the Administrative Agent shall promptly notify the Lenders and the applicable Borrowers thereof. For purposes hereof, "Currency Valuation Notice" means a notice given by the Required Lenders to the Administrative Agent stating that such notice is a "Currency Valuation Notice" and requesting that the Administrative Agent determine the Dollar Amount equivalent of the then outstanding Loans denominated in Alternative Currencies. The Administrative Agent shall not be required to make more than one valuation determination pursuant to Currency Valuation Notices within any month. If, on the date of such determination, the total Revolving Credit Exposure (including the Dollar Amount equivalent of the Revolving Credit Exposure denominated in Alternative Currencies) exceeds 105% of the total Commitments, the applicable Borrowers shall, if requested by the Required Lenders (through the Administrative Agent), immediately prepay the Loans (whether denominated in Dollars or Alternative Currencies) in an amount sufficient to eliminate such excess.

(c) Notices. Each such notice pursuant to this Section shall be in the form of a written Prepayment Notice, appropriately completed and signed by a Responsible Officer of the applicable Borrower, or may be given by e-mail to the Administrative Agent (if promptly confirmed by such a written Prepayment Notice consistent with such e-mail notice) and must be received by the Administrative Agent (i) in the case of prepayment of a ~~LIBO~~Eurocurrency Rate Borrowing denominated in Dollars, not later than 10:00 a.m. (New York City time) three Business Days before the date of prepayment, ~~or~~ (ii) in the case of prepayment of a SONIA Borrowing or a Eurocurrency Rate Borrowing denominated in an Alternative Currency, not later than

10:00 a.m. (London time) three Business Days before the date of prepayment, or (iii) in the case of prepayment of a ABR Borrowing, not later than 10:00 a.m. (New York City time) one Business Day before the date of prepayment. Each Prepayment Notice shall specify (x) the prepayment date and (y) the principal amount of each Borrowing or portion thereof to be prepaid. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the applicable Lenders of the contents thereof. Each Prepayment Notice shall be irrevocable; provided that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.09, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.09.

(d)Amounts; Application. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of a Borrowing of the same Type as provided in Section 2.02. Each prepayment of a Borrowing shall be applied ratably to the Loans included in such Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.11, together with any additional amounts required pursuant to Section 2.16.

#### SECTION 2.09 Termination or Reduction of Commitments.

(a)Optional. The Parent may, upon notice to the Administrative Agent, terminate the unused portion of the Commitments, or from time to time reduce the unused Commitments; provided that (a) each such notice shall be in writing and must be received by the Administrative Agent at least three Business Days prior to the effective date of such termination or reduction, and shall be irrevocable (provided that a notice of termination of the Commitments may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the ~~Borrower~~Parent (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied), (b) any such partial reduction shall be in an aggregate amount of \$5,000,000 or a larger multiple of \$1,000,000 and (c) the Parent shall not terminate or reduce the Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the sum of the total Revolving Credit Exposures would exceed the total Commitments. Unless previously terminated, the Commitments shall automatically terminate on the Commitment Termination Date.

(b)Application of Commitment Reductions. The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Commitments pursuant to this Section. Upon any reduction of unused Commitments, the Commitment of each Lender shall be reduced by such Lender's ratable share of the amount of such reduction.

SECTION 2.10 Repayment of Loans. Each Borrower shall repay to the Administrative Agent for the ratable account of the Lenders on the Commitment Termination Date the aggregate principal amount of all Loans made to such Borrower outstanding on such date.

#### SECTION 2.11 Interest.

(a)Interest Rates. Subject to paragraph (b) of this Section, (i) each ABR Loan shall bear interest at a rate per annum equal to the ABR plus the Applicable Rate; (ii) each SONIA Loans shall bear interest at a rate per annum equal to Daily Simple SONIA plus the Applicable Rate, and (iii) each ~~LIBOR~~Eurocurrency Rate Loan shall bear interest at a rate per annum equal to the Adjusted ~~LIBOR~~Eurocurrency Rate for the Interest Period therefor plus the Applicable Rate.

(b)Default Interest. If any amount payable by the Borrowers under this Agreement or any other Loan Document (including principal of any Loan, interest, fees and other amount) is not paid when due, whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a rate per annum equal to the applicable Default Rate. Upon the request of the Required Lenders, while any Event of Default exists, interest on the principal amount of all Loans outstanding hereunder shall accrue at a rate per annum equal to the applicable Default Rate.

(c)Payment Dates. Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein; provided that (i) interest accrued pursuant to paragraph (b) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Loan prior to the Commitment Termination Date), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any ~~LIBOR~~Eurocurrency Rate Borrowing prior to the end of the Interest Period therefor, accrued interest on such Borrowing shall be payable on the effective date of such conversion.

(d) Interest Computation. All interest hereunder shall be computed on the basis of a year of 360 days (except that (i) interest computed by reference to the ABR at times when the ABR is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year) and (ii) interest on Loans denominated in Sterling shall be computed on the basis of a year of 365 days) and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable ABR, Daily Simple SONIA or Adjusted ~~LIBOR~~ Eurocurrency Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

#### SECTION 2.12 Fees.

(a) Commitment Fees. The Parent agrees to pay to the Administrative Agent for the account of each Lender a commitment fee on the average daily unused amount of the Commitment of such Lender, which shall accrue at a rate per annum equal to the Applicable Rate during the period from and including the Closing Date to but excluding the Commitment Termination Date. Accrued commitment fees shall be payable in arrears on the last Business Day of each March, June, September and December, commencing on the first such date to occur after the date hereof, and on the Commitment Termination Date. For purposes of computing commitment fees, the Commitment of any Lender shall be deemed to be used to the extent of the aggregate principal amount at such time of its outstanding Loans.

(b) Administrative Agent Fees. The Parent agrees to pay to the Administrative Agent for its own account the fees payable in the amounts and at the times agreed pursuant to the Administrative Agency Fee Letter or otherwise in writing between the Parent and the Administrative Agent.

(c) Other Fees. The Parent agrees to pay to the Administrative Agent, the Arrangers and the Lenders party to this Agreement as of the Closing Date fees in the amounts and at the times agreed upon separately between the Parent and the Administrative Agent, the Arrangers or the Lenders, as applicable, pursuant to the Fee Letters.

(d) Fee Computation. All fees payable under this Section shall be computed on the basis of a year of 360 days and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). Each determination by the Administrative Agent of a fee hereunder shall be conclusive absent manifest error.

#### SECTION 2.13 Evidence of Debt.

(a) Maintenance of Records. Each Lender shall maintain in accordance with its usual practice records evidencing the indebtedness of each Borrower to such Lender resulting from each Credit Extension made by such Lender. The Administrative Agent shall maintain the Register in accordance with Section 10.04(c). The entries made in the records maintained pursuant to this paragraph (a) shall be prima facie evidence absent manifest error of the existence and amounts of the obligations recorded therein. Any failure of any Lender or the Administrative Agent to maintain such records or make any entry therein or any error therein shall not in any manner affect the obligations of the Borrowers under this Agreement and the other Loan Documents. In the event of any conflict between the records maintained by any Lender and the records maintained by the Administrative Agent in such matters, the records of the Administrative Agent shall control in the absence of manifest error.

(b) Promissory Notes. Upon the request of any Lender made through the Administrative Agent, each Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns) in a form approved by the Administrative Agent, which shall evidence such Lender's Loans in addition to such records.

#### SECTION 2.14 Payments Generally; Several Obligations of Lenders.

(a) Payments by Borrower. All payments to be made by a Loan Party hereunder and the other Loan Documents shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein and except with respect to principal of and interest on Loans denominated in an Alternative Currency, all such payments shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars in immediately available funds not later than 12:00 noon (New York City time) on the date specified herein. Except as otherwise expressly provided herein, all payments by the Loan Parties hereunder with respect to principal and interest on Loans denominated in an Alternative Currency shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in such Alternative Currency in immediately available funds not later than the Applicable Time specified by the Administrative Agent on the dates specified herein. Without limiting the generality of the

foregoing, the Administrative Agent may require that any payments due under this Agreement be made in the United States. If, for any reason, a Loan Party is prohibited by Law from making any required payment hereunder in an Alternative Currency, such Loan Party shall make such payment in Dollars in the Dollar Amount equivalent of the Alternative Currency Amount. All amounts received by the Administrative Agent after such specified times on any date shall be deemed to have been received on the next succeeding Business Day and any applicable interest or fees shall continue to accrue. The Administrative Agent will promptly distribute to each Lender its ratable share (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's applicable lending office (or otherwise distribute such payment in like funds as received to the Person or Persons entitled thereto as provided herein). If any payment to be made by a Loan Party shall fall due on a day that is not a Business Day, payment shall be made on the next succeeding Business Day and such extension of time shall be reflected in computing interest or fees, as the case may be; provided that, if such next succeeding Business Day would fall after the Commitment Termination Date, payment shall be made on the immediately preceding Business Day. Except as otherwise expressly provided herein, all payments hereunder or under any other Loan Document shall be made in Dollars.

(b) Application of Insufficient Payments. Subject to Section 7.02, if at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest, fees and other amounts then due hereunder, such funds shall be applied (i) first, to pay interest, fees and other amounts then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest, fees and other amounts then due to such parties, and (ii) second, to pay principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from a Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that such Borrower will not make such payment, the Administrative Agent may assume that such Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if such Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(d) Deductions by Administrative Agent. If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.06(b), 2.15 or 10.03(c), then the Administrative Agent may, in its discretion and notwithstanding any contrary provision hereof, (i) apply any amounts thereafter received by the Administrative Agent for the account of such Lender for the benefit of the Administrative Agent to satisfy such Lender's obligations to the Administrative Agent until all such unsatisfied obligations are fully paid or (ii) hold any such amounts in a segregated account as cash collateral for, and for application to, any future funding obligations of such Lender under any such Section, in the case of each of clauses (i) and (ii) above, in any order as determined by the Administrative Agent in its discretion.

(e) Several Obligations of Lenders. The obligations of the Lenders hereunder to make Loans and to make payments pursuant to Section 10.03(c) are several and not joint. The failure of any Lender to make any Loan or to fund any such participation or to make any such payment on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participations or to make its payment under Section 10.03(c).

SECTION 2.15 Sharing of Payments. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or other obligations hereunder resulting in such Lender receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such obligations greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them; provided that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this paragraph shall not be construed to apply to (x) any payment made by a Loan Party pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to a Loan Party or any Subsidiary thereof (as to which the provisions of this paragraph shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under Applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

SECTION 2.16 Compensation for Losses. In the event of (a) the payment of any principal of any ~~LIBOR~~Eurocurrency Rate Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any ~~LIBOR~~SONIA Loan other than on the Interest Payment Date therefor or any Eurocurrency Rate Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any ~~LIBOR~~Eurocurrency Rate Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.09(b) and is revoked in accordance therewith), or (d) the assignment of any ~~LIBOR~~SONIA Loan other than on the Interest Payment Date therefor or any Eurocurrency Rate Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Parent pursuant to Section 2.21(b), then, in any such event, the Borrowers shall compensate each Lender for the loss, cost and expense attributable to such event. In the case of a ~~LIBOR~~Eurocurrency Rate Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest that would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted ~~LIBOR~~Eurocurrency Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest that would accrue on such principal amount for such period at the interest rate that such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the London or other applicable offshore interbank ~~eurol~~eurol market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Parent and shall be conclusive absent manifest error. The Borrowers shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

#### SECTION 2.17 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Adjusted ~~LIBOR~~Eurocurrency Rate);

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the London interbank market or any other applicable offshore interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, converting to, continuing or maintaining any Loan or of maintaining its obligation to make any such Loan, or to reduce the amount of any sum received or receivable by such Lender or other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or other Recipient, the Borrowers will pay to such Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender determines that any Change in Law affecting such Lender or any lending office of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrowers will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Parent, shall be conclusive absent manifest error. The Borrowers shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrowers shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender notifies the Parent of the Change in Law giving rise to such increased costs or reductions, and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

#### SECTION 2.18 Taxes.

(a) Defined Terms. For purposes of this Section, the term "Applicable Law" includes FATCA.

(b) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Loan Parties under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and subject to paragraph (i) below, if such Tax is an Indemnified Tax, then the sum payable by the Loan Parties shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) Payment of Other Taxes by Loan Parties. Each Loan Party shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(d) Indemnification by Loan Parties. The Loan Parties are jointly and severally liable to indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Parent by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.04(d) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by

the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Evidence of Payments. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(g) Status of Lenders in respect of U.S. Borrowers. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Parent and the Administrative Agent, at the time or times reasonably requested by the Parent or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Parent or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Parent or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Parent or the Administrative Agent as will enable the Parent or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in paragraphs (g)(ii)(A), (ii)(B) and (ii)(D) of this Section) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(iii) Without limiting the generality of the foregoing, in the event that any Borrower is a U.S. Borrower,

(A) any Lender that is a U.S. Person shall deliver to such Borrower and the Administrative Agent on or about the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Loan Party or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to such Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit B-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of ~~the any~~ Borrower within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" related to ~~the any~~ Borrower as described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form

W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit B-2 or Exhibit B-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit B-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to such Loan Party and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Loan Party or the Administrative Agent), executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the applicable Loan Party or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to such Loan Party and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by such Loan Party or the Administrative Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by such Loan Party or the Administrative Agent as may be necessary for such Loan Party and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(h) Status of Lenders in respect of UK Borrowers.

(i) A UK Treaty Lender that holds a passport under the HM Revenue & Customs DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall confirm in writing its scheme reference number and its jurisdiction of tax residence to any UK Borrower and the Administrative Agent and a UK Treaty Lender who confirms its scheme reference number and its jurisdiction of tax residence in the documentation it executes on becoming a UK Treaty Lender shall be under no further obligation in respect of an advance to any such UK Borrower. Each UK Treaty Lender that includes such confirmation thereby notifies each UK Borrower that the HMRC DT Treaty Passport Scheme is to apply in respect of that Loan Commitment and that UK Borrower must file a Borrower DTTP Filing. If a UK Treaty Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with this subsection (iii) and: (a) a UK Borrower making a payment to that Lender has not made a UK Borrower DTTP Filing in respect of that Lender; or (b) a UK Borrower making a payment to that Lender has made a UK Borrower DTTP Filing but (A) that UK Borrower DTTP Filing has been rejected by HM Revenue & Customs; or (B) HM Revenue & Customs have not given the UK Borrower authority to make payments to that Lender without a UK Tax Deduction within 60 days of the date of the UK Borrower DTTP Filing, and in each case, the UK Borrower has notified that Lender in writing, that Lender and the UK Borrower shall co-operate in completing any additional procedural formalities necessary for that UK Borrower to obtain authorization to make that payment without a UK Tax Deduction.

(ii) If a UK Treaty Lender has not confirmed its scheme reference number and jurisdiction of tax residence in accordance with subsection (i) above, no UK Borrower shall make a UK Borrower DTTP Filing or file any other form relating to the HM Revenue & Customs DT Treaty Passport scheme in respect of that Lender's Loan(s) unless that Lender otherwise agrees.

(iii) A UK Borrower shall, promptly on making a UK Borrower DTTP Filing, deliver a copy of that UK Borrower DTTP Filing to the Administrative Agent for delivery to the relevant UK Treaty Lender.

(iv) A UK Qualifying Non-Bank Lender which becomes a party to this Agreement gives a UK Tax Confirmation to any UK Borrower by entering into this Agreement. A UK Qualifying Non-Bank Lender shall promptly notify any UK Borrower and the Administrative Agent if there is any change in the position from that set out in the UK Tax Confirmation.

(v) Each Lender in respect of a UK Borrower which becomes a party to this Agreement after the date of this Agreement shall indicate in the Assignment and Assumption, and for the benefit of the Administrative Agent and without liability to any Borrower, which of the following categories it falls in: (a) not a UK Qualifying Lender; (b) a UK Qualifying Lender (other than a UK Treaty Lender); or (c) a UK Treaty Lender. If a Lender fails to indicate its status in accordance with this subsection (v) then such Lender shall be treated for the purposes of this Agreement (including by each UK Borrower) as if it is not a UK Qualifying Lender until such time as it notifies the Administrative Agent which category applies (and the Administrative Agent, upon receipt of such notification, shall inform each UK Borrower).

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the applicable Loan Parties and the Administrative Agent in writing of its legal inability to do so, including in respect of subsections (g) and (h) above.

(i) Payments by UK Borrowers. A payment shall not be increased under paragraph (b) above by reason of a UK Tax Deduction, if on the date on which the payment falls due:

(i) the payment could have been made to the relevant Lender without a UK Tax Deduction if the Lender had been a UK Qualifying Lender, but on that date that Lender is not or has ceased to be a UK Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or double taxation agreement in force with the UK or any published practice or published concession of any relevant taxing authority; or

(ii) the relevant Lender is a UK Qualifying Lender solely by virtue of subsection (a)(ii) of the definition of "UK Qualifying Lender" and: (A) an officer of HM Revenue & Customs has given (and not revoked) a direction (a "Direction") under section 931 of the UK ITA which relates to the payment and that Lender has received from the UK Borrower making the payment a certified copy of that Direction; and (B) the payment could have been made to the Lender without any UK Tax Deduction if that Direction had not been made; or

(iii) the relevant Lender is a UK Qualifying Lender solely by virtue of subsection (a)(ii) of the definition of "UK Qualifying Lender" and: (A) the relevant Lender has not given a UK Tax Confirmation to the UK Borrower; and (B) the payment could have been made to the Lender without any UK Tax Deduction if the Lender had given a UK Tax Confirmation to the UK Borrower, on the basis that the UK Tax Confirmation would have enabled the UK Borrower to have formed a reasonable belief that the payment was an "excepted payment" for the purpose of section 930 of the UK ITA; or

(iv) the relevant Lender is a UK Treaty Lender and the UK Borrower making the payment is able to demonstrate that the payment could have been made to the Lender without the UK Tax Deduction had that Lender complied with its obligations under subsection (h)(i) above.

(j) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (j) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (j), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (j) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been

paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(k) Survival. Each party's obligations under this Section shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

~~SECTION 2.19 Inability to Determine Rates. Unless and until a Replacement Rate is implemented in accordance with the last paragraph of this Section 2.19, if, on or prior to the first day of any Interest Period (an "Affected Interest Period"):~~

~~(a) With respect to SONIA Loans, subject to Section 2.24, if (A) deposits are not being offered to banks in the London interbank market for the applicable amount, currency and Interest Period of a LIBO Rate Loan or (B) by reason of circumstances affecting the London interbank market for the applicable currency, the "LIBO Rate" the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that "Daily Simple SONIA" cannot be determined pursuant to the definition thereof for the applicable amount and Interest Period of such LIBO Rate Loan, or (b) (2) the Required Lenders determine that for any reason in connection with any request for a LIBO Rate SONIA Loan or a conversion thereto or a continuation thereof that the LIBO Rate for any requested Interest Period with respect to a proposed LIBO Rate Loan Daily Simple SONIA does not adequately and fairly reflect the cost to such Lenders of funding such Loan, and, in each case, the Required Lenders have provided notice of such determination to the Administrative Agent, the Administrative Agent will promptly so notify the Parent Borrowers and each Lender. Thereafter Upon notice thereof by the Administrative Agent to the Borrowers, the any obligation of the Lenders to make or maintain LIBO Rate Loans in the applicable currency (including, if the applicable currency is Dollars, the utilization of the LIBO Rate component in determining the ABR) continue SONIA Loans shall be suspended until the Administrative Agent (in the case of clause (2) above, upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, a (i) the relevant Borrower may revoke any pending request for a borrowing of, conversion to or continuation of LIBO Rate SONIA Loans or, failing that, will be deemed to have then such request shall be ineffective and (ii) any outstanding affected SONIA Loans shall bear interest at the Central Bank Rate for Sterling plus the CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for Sterling cannot be determined or is not administratively feasible for the Administrative Agent, such outstanding affected SONIA Loans, at the relevant Borrower's election, shall either (x) be converted such request into a request for ABR Loans denominated in the Dollars (in an amount specified therein equal to the Dollar Amount thereof) immediately or (y) be prepaid in full immediately; provided that if no election is made by the relevant Borrower by the date that is three Business Days after receipt by such Borrower of a notice from the Administrative Agent that the Central Bank Rate for Sterling cannot be determined or is not administratively feasible for the Administrative Agent, the relevant Borrower shall be deemed to have elected clause (x) above.~~

~~(b) Notwithstanding anything to the contrary in Section 2.19 above, if the Administrative Agent (acting on the instructions of the Required Lenders) has made the determination (such determination to be conclusive absent manifest error) that (i) the circumstances described in subsections (a) or (b) above have arisen and that such circumstances are unlikely to be temporary, (ii) any applicable interest rate specified herein is no longer a widely recognized benchmark rate for newly originated loans in the U.S. syndicated loan market in the applicable currency, or (iii) the applicable supervisor or administrator (if any) of any applicable interest rate specified herein or any Governmental Authority having, or purporting to have, jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which any applicable interest rate specified herein shall no longer be used for determining interest rates for loans in the U.S. syndicated loan market in the applicable currency, then the Administrative Agent (acting on the instructions of the Required Lenders) and the Parent may, to the extent practicable, establish a replacement interest rate (the "Replacement Rate"), in which case, the Replacement Rate shall, subject to the next two sentences, replace such applicable interest rate for all purposes under the Loan Documents unless and until (A) an event described in subsections (a) or (b) above or limbs (i) or (ii) of this paragraph occurs with respect to the Replacement Rate or (B) the Administrative Agent (acting on the instructions of the Required Lenders) notifies the Parent that the Replacement Rate does not adequately and fairly reflect the cost to the Lenders of funding the Loans bearing interest at the Replacement Rate. In connection with the establishment and application of the Replacement Rate, this Agreement and the other Loan Documents shall be amended solely with the consent of the Administrative Agent (acting on the instructions of the Required Lenders) and the Parent, as may be necessary or appropriate, in the opinion of the Administrative Agent (acting on the instructions of the Required Lenders), to effect the provisions of this Section 2.19. Notwithstanding anything to the contrary in this Agreement or the other Loan Documents (including, without limitation, Section 10.02(b)), such amendment shall become effective without any further action or consent of any other party to this Agreement. To the extent~~

the Replacement Rate is approved by the Administrative Agent (acting on the instructions of the Required Lenders) and the Parent in connection with this paragraph, the Replacement Rate shall be applied in a manner consistent with market practice; provided that, in each case, to the extent such market practice is not administratively feasible for the Administrative Agent, such Replacement Rate shall be applied as otherwise reasonably determined by the Administrative Agent (acting on the instructions of the Required Lenders). In no event shall the Replacement Rate be less than 0.00%.

(c) With respect to Eurocurrency Rate Loans, subject to Section 2.24, if, on or prior to the first day of any Interest Period: (i) (A) deposits are not being offered to banks in the London or other applicable offshore interbank market for the applicable amount, currency and Interest Period of a Eurocurrency Rate Loan or (B) by reason of circumstances affecting the London interbank market for the applicable currency, the "Eurocurrency Rate" cannot be determined pursuant to the definition thereof for the applicable amount and Interest Period of such Eurocurrency Rate Loan, or (ii) the Required Lenders determine that for any reason in connection with any request for a Eurocurrency Rate Loan or a conversion thereto or a continuation thereof that the Eurocurrency Rate for any requested Interest Period with respect to a proposed Eurocurrency Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan and, in each case, the Required Lenders have provided notice of such determination to the Administrative Agent, the Administrative Agent will promptly so notify the Parent and each Lender. Thereafter, the obligation of the Lenders to make or maintain Eurocurrency Rate Loans in the applicable currency (including, if the applicable currency is Dollars, the utilization of the Eurocurrency Rate component in determining the ABR) shall be suspended until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (A) a Borrower may revoke any pending request for a borrowing of, conversion to or continuation of Eurocurrency Rate Loans in each such affected currency (to the extent of the affected Eurocurrency Rate Loans or Interest Periods) or, failing that, (I) in the case of any request for an affected Eurocurrency Rate Borrowing in Dollars, such Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans in the amount specified therein and (II) in the case of any request for an affected Eurocurrency Rate Borrowing in an Alternative Currency, then such request shall be ineffective and (B)(I) any outstanding affected Eurocurrency Rate Loans denominated in Dollars will be deemed to have been converted into ABR Loans at the end of the applicable Interest Period and (II) any outstanding affected Eurocurrency Rate Loans denominated in an Alternative Currency, shall bear interest at the Central Bank Rate for such Alternative Currency plus the CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for such Alternative Currency cannot be determined or is not administratively feasible for the Administrative Agent, such outstanding affected Eurocurrency Rate Loans at the relevant Borrower's election, shall either (1) be converted into ABR Loans denominated in Dollars (in an amount equal to the Dollar Equivalent of such Alternative Currency) at the end of the applicable Interest Period or (2) be prepaid in full at the end of the applicable Interest Period; provided that if no election is made by the relevant Borrower by the earlier of (x) the date that is three Business Days after receipt by the relevant Borrower of notice from the Administrative Agent that the Central Bank Rate for such Alternative Currency cannot be determined or is not administratively feasible for the Administrative Agent and (y) the last day of the current Interest Period for the applicable Eurocurrency Rate Loan, the relevant Borrower shall be deemed to have elected clause (1) above.

SECTION 2.20 Illegality. If it becomes unlawful in any applicable jurisdiction for a Lender to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain its participation in any Loan or it becomes unlawful for any Affiliate of a Lender for that Lender to do so:

(a) that Lender shall promptly notify the Administrative Agent upon becoming aware of that event and the Administrative Agent shall promptly notify the Parent;

and (b) upon the Administrative Agent notifying the Parent, the Commitment of that Lender will be immediately cancelled;

(c) each Borrower shall repay that Lender's participation in the Loans made to that Borrower on the last day of the Interest Period for each Loan occurring after the Administrative Agent has notified the Parent or, if earlier, the date specified by the Lender in the notice delivered to the Administrative Agent (being no earlier than the last day of any applicable grace period permitted by law)

SECTION 2.21 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 2.17, or requires any Loan Party to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.18, then such Lender shall (at the request of such Loan Party) use reasonable efforts to designate a different lending office for funding or

booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.17 or 2.18, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Parent hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 2.17, or if any Loan Party is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.18 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with paragraph (a) of this Section, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Parent may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.04), all of its interests, rights (other than its existing rights to payments pursuant to Section 2.17 or Section 2.18) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

(i) the Parent shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 10.04;

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 2.17) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or a Loan Party (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 2.17 or payments required to be made pursuant to Section 2.18, such assignment will result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with Applicable Law; and

(v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Parent to require such assignment and delegation cease to apply.

Notwithstanding anything in this Section to the contrary, the Lender that acts as the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 8.06.

SECTION 2.22 Reserved.

SECTION 2.23 Defaulting Lenders.

(a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by Applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders and Section 10.02(b).

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 10.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any

amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, as the Parent may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *third*, if so determined by the Administrative Agent and the Parent, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Default or Event of Default exists, to the payment of any amounts owing to any Loan Parties as a result of any judgment of a court of competent jurisdiction obtained by such Loan Parties against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by the Lenders pro rata in accordance with the Commitments without giving effect to clause (iv) below. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Commitment Fees. No Defaulting Lender shall be entitled to receive any commitment fee pursuant to Section 2.12(a) for any period during which that Lender is a Defaulting Lender (and no Loan Party shall be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(b) Defaulting Lender Cure. If the Parent and the Administrative Agent agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders in accordance with the Commitments (without giving effect to paragraph (a)(iv) above), whereupon, such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of any Loan Party while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c) Termination of Defaulting Lender. The Parent may terminate the unused amount of the Commitment of any Lender that is a Defaulting Lender upon not less than 15 Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders thereof), and in such event the provisions of Section 2.23(a)(ii) will apply to all amounts thereafter paid by the Parent for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts); provided that (i) no Event of Default shall have occurred and be continuing, and (ii) such termination shall not be deemed to be a waiver or release of any claim the Loan Parties, the Administrative Agent or any Lender may have against such Defaulting Lender.

#### SECTION 2.24 Benchmark Replacement Setting.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document (and any Swap Contract shall be deemed not to be a "Loan Document" for purposes of this Section 2.24), with respect to any currency, if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of any then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (a) or (b) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (c) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark

setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(b) Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrowers and the Lenders of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.24, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.24. For the avoidance of doubt, the parties hereto acknowledge that a Benchmark Transition Event has occurred with respect to USD LIBOR with the public announcements on March 5, 2021 by the ICE Benchmark Administration (IBA) and the U.K. Financial Conduct Authority (FCA), that the IBA will permanently cease to publish all remaining tenors of LIBOR on June 30, 2023, for which the related Benchmark Replacement Date is anticipated to be June 30, 2023.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if any then-current Benchmark is a term rate (including Term SOFR or USD LIBOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrowers' receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a given Benchmark, the Borrowers may revoke any request for a Borrowing based on the Eurocurrency Rate or Daily Simple SONIA of, conversion to or continuation of a Borrowing based on the Eurocurrency Rate or Daily Simple SONIA to be made, converted or continued during any Benchmark Unavailability Period and, failing that, (i) (A) in the case of any request for an affected Eurocurrency Rate Borrowing in Dollars, if applicable, the Borrowers will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans in the amount specified therein and (B) in the case of any request for any affected SONIA Borrowing or Eurocurrency Rate Borrowing in an Alternative Currency, if applicable, then such request shall be ineffective and (ii) (A) any outstanding affected Eurocurrency Rate Loans denominated in Dollars, if applicable, will be deemed to have been converted into ABR Loans at the end of the applicable Interest Period and (B) any outstanding affected SONIA Loans or Eurocurrency Rate Loans denominated in an Alternative Currency, at the Borrower's election, shall either (1) be converted into ABR Loans denominated in Dollars (in an amount equal to the Dollar Amount of such Alternative Currency) immediately or, in the case of Eurocurrency Rate Loans, at the end of the applicable Interest Period or (2) be prepaid in full immediately or, in the case of Eurocurrency Rate Loans, at the end of the applicable Interest Period; provided that, with respect to any SONIA Loan, if no election is made by the relevant Borrower by the date that is three Business Days after receipt by the relevant Borrower of such notice, the relevant Borrower shall be deemed to have elected clause (1) above; provided, further that, with respect to any Eurocurrency Rate Loan, if no election is made by the relevant Borrower by the earlier of (x) the

date that is three Business Days after receipt by the relevant Borrower of such notice and (y) the last day of the current Interest Period for the applicable Eurocurrency Rate Loan, the relevant Borrower shall be deemed to have elected clause (1) above. During a Benchmark Unavailability Period with respect to any Benchmark or at any time that a tenor for any then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark that is the subject of such Benchmark Unavailability Period or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

SECTION 2.25 ~~SECTION 2.24~~ Increases in Commitments.

(a) Request for Increase. The Parent may, at any time from the Closing Date to and including the date falling 60 days prior to the Commitment Termination Date, by notice to the Administrative Agent (who shall promptly (and in any event within two (2) Business Days) notify the Lenders), request an increase in the Commitments (each such increase, an “Incremental Commitment”) by an aggregate amount (for all such requests) not exceeding \$400,000,000; provided that (i) any such request for an increase shall be in a minimum amount of the lesser of (x) \$50,000,000 (or such lesser amount as may be approved by the Administrative Agent) and (y) the entire remaining amount of increases available under this Section and (ii) the Parent shall make no more than a total of three requests for increases of Commitments under this Section.

(b) Offer Period. The Incremental Commitments notice from the Parent shall be open only for acceptance by the Lenders for a period of 10 Business Days from the date on which the Administrative Agent receives such notice (the “Offer Period”) and shall specify the amount of the proposed Incremental Commitments and the proposed date on which the Incremental Commitments are to become effective. The allocation of the Incremental Commitments shall first be requested from the existing Lenders in the same proportion that the Total Credit Exposure held by each Lender bears to the Total Credit Exposures of all Lenders. Each existing Lender that is willing to provide all or part of such Incremental Commitments shall confirm its commitment to do so and its agreement to assume Incremental Commitments by delivering an executed Incremental Commitments confirmation notice to the Parent and the Administrative Agent by no later than the last day of the Offer Period.

(c) Other Lenders. If, following receipt of the confirmations referred to in paragraph (b) above, there remains a portion of the Incremental Commitments that the existing Lenders have not agreed to provide, the Parent may, at its discretion, seek commitments from any other Eligible Assignee to provide all or part of the Incremental Commitments shortfall. Any such Eligible Assignee that is willing to provide all or any of the Incremental Commitments shall deliver to the Parent and the Administrative Agent an executed Joinder Agreement confirming the Incremental Commitments it is willing to provide and agreeing to become a Lender and a party to this Agreement on the Incremental Commitment Effective Date. Any such additional Lender shall not be paid an arrangement fee or similar fee in respect of its Incremental Commitment at a rate that is higher than any fee paid to any Lender in connection with their Incremental Commitments.

(d) Any existing Lender or other Person that is an Eligible Assignee that agrees to provide an Incremental Commitment (each, an “Incremental Lender”) shall be subject to the consent (in each case, not to be unreasonably withheld or delayed) of the Administrative Agent. Notwithstanding anything herein to the contrary, no Lender shall have any obligation to agree to increase its Commitment, or to provide a Commitment, pursuant to this Section and any election to do so shall be in the sole discretion of such Lender.

(e) Terms of Incremental Commitments. The Administrative Agent and the Parent shall determine the effective date for such increase pursuant to this Section (an “Incremental Commitment Effective Date”) and, if applicable, the final allocation of such increase among the Persons providing such increase; provided that such date shall be a Business Day at least 10 Business Days after delivery of the request for such increase (unless otherwise approved by the Administrative Agent) and at least 30 days prior to the Commitment Termination Date then in effect. In order to effect such increase, the Parent, the applicable Incremental Lender(s) and the Administrative Agent (but no other Lenders or Persons) shall enter into one or more Joinder Agreements, each in form and substance satisfactory to the Parent and the Administrative Agent, pursuant to which the applicable Incremental Lender(s) will provide the Incremental Commitment(s). Effective as of the applicable Incremental Commitment Effective Date, subject to the terms and conditions set forth in this Section, each Incremental Commitment shall be a Commitment (and not a separate facility hereunder), each Incremental Lender providing such Incremental Commitment shall be, and have all the rights of, a Lender, and the Loans made by it on such Incremental Commitment Effective Date pursuant to this Section shall be Loans, for all purposes of this Agreement.

(f) Conditions to Effectiveness. Notwithstanding the foregoing, the increase in the Commitments pursuant to this Section shall not be effective with respect to any Incremental Lender unless:

(i) no Default or Event of Default shall have occurred and be continuing on the Incremental Commitment Effective Date and after giving effect to such increase;

(ii) the Parent shall be in pro forma compliance with Section 6.12 after giving effect to such increase, calculated based on the most recently delivered financial statements under Section 5.01(a) or 5.01(b);

(iii) the representations and warranties contained in this Agreement are true and correct on and as of the Incremental Commitment Effective Date and after giving effect to such increase, as though made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date);

(iv) the Administrative Agent shall have received one or more Joinder Agreements contemplated above, providing for Incremental Commitments in the amount of such increase; and

(v) the Administrative Agent shall have received in form and substance satisfactory to it such legal opinions and other documents reasonably requested by the Administrative Agent in connection therewith.

As of such Incremental Commitment Effective Date, upon the Administrative Agent's receipt of the documents required by this paragraph (f), the Administrative Agent shall record the information contained in the applicable Joinder Agreement(s) in the Register and give prompt notice of the increase in the Commitments to the Parent and the Lenders (including each Incremental Lender).

(g) Adjustments to Revolving Outstandings. On each Incremental Commitment Effective Date, if there are Loans then outstanding, the Borrowers shall prepay such Loans (and pay any additional amounts required pursuant to Section 2.16 in connection therewith), and borrow Loans from the Incremental Lender(s), as shall be necessary in order that, after giving effect to such prepayments and borrowings, all Loans will be held ratably by the Lenders (including the Incremental Lender(s)) in accordance with their respective Commitments after giving effect to the applicable Incremental Commitment(s) and any prepayments or borrowings made pursuant to this paragraph (g) may be made on a non –pro rata basis in order to effect the purpose of this paragraph (g).

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES

Each Loan Party represents and warrants to the Administrative Agent and the Lenders that:

SECTION 3.01 Existence, Qualification and Power. Each Loan Party and each of its Subsidiaries (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license, except, in each case referred to in clause (a) (other than with respect to each Loan Party), (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

SECTION 3.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which it is party have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of its Organizational Documents, (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any material Contractual Obligation to which any Loan Party is a party or affecting any Loan Party or the properties of any Loan Party or any Subsidiary of a Loan Party or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which any Loan Party or any Subsidiary of a Loan Party or its property is subject or (c) violate any Law.

SECTION 3.03 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any

Loan Party of this Agreement or any other Loan Document, except for such approvals, consents, exemptions, authorizations, actions or notices that have been duly obtained, taken or made and in full force and effect.

**SECTION 3.04 Execution and Delivery; Binding Effect.** This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of each Loan Party, enforceable against each Loan Party in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other Laws affecting creditors' rights generally and by general principles of equity.

**SECTION 3.05 Financial Statements; No Material Adverse Effect.**

(a) **Financial Statements.** The Audited Financial Statements were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and fairly present in all material respects the financial condition of the Parent and its Subsidiaries as of the date thereof and their results of operations and cash flows for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein. The unaudited consolidated balance sheet of the Parent and its Subsidiaries and the related consolidated statements of income or operations, Shareholders' Equity and cash flows for the fiscal quarter ended on June 30, 2018 were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and fairly present in all material respects the financial condition of the Parent and its Subsidiaries as of the date thereof and their results of operations and cash flows for the period covered thereby, subject to the absence of notes and to normal year-end audit adjustments.

(b) **No Material Adverse Change.** Since the date of the Audited Financial Statements, there has been no event or circumstance that, either individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect.

**SECTION 3.06 Litigation.** There are no actions, suits, proceedings, claims, disputes or investigations pending or, to the knowledge of any Loan Party, threatened, at Law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any Subsidiary of a Loan Party or against any of their properties or revenues that (a) if adversely determined, either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect or (b) purport to affect or pertain to this Agreement or any other Loan Document or any of the transactions contemplated hereby.

**SECTION 3.07 No Material Adverse Effect; No Default.** Neither any Loan Party nor any Subsidiary thereof is in default under or with respect to any Contractual Obligation that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

**SECTION 3.08 Property.**

(a) **Ownership of Properties.** Each Loan Party and its Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title that, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

(b) **Intellectual Property.** Each Loan Party and its Subsidiaries owns, licenses or possesses the right to use all of the trademarks, tradenames, service marks, trade names, copyrights, patents, franchises, licenses and other intellectual property rights that are necessary for the operation of their respective businesses, as currently conducted, business, and the use thereof by each Loan Party and its Subsidiaries does not conflict with the rights of any other Person, except to the extent that such failure to own, license or possess or such conflicts, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. The conduct of the business of each Loan Party or any of its Subsidiaries as currently conducted or as contemplated to be conducted does not infringe upon or violate any rights held by any other Person, except to the extent that such infringements and violations, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. No claim or litigation regarding any of the foregoing is pending or, to the knowledge of any Loan Party, threatened that, if adversely determined, could reasonably be expected to have a Material Adverse Effect.

**SECTION 3.09 Taxes.**

(a) Each Loan Party and its Subsidiaries have filed all federal, state and other tax returns and reports required to be filed, and have paid all federal, state and other taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except (i) Taxes that are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves are being maintained in accordance with GAAP or (ii) to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(b) Each Loan Party is resident for Tax purposes only in the country of its incorporation.

(c) As of the Closing Date, no UK Borrower is required to make any deduction for or on account of Tax from any payment it may make under a Loan Document to a UK Qualifying Lender.

#### SECTION 3.10 Disclosure.

(a) Each Loan Party has disclosed to the Administrative Agent and the Lenders all agreements, instruments and corporate or other restrictions to which that Loan Party or any of its Subsidiaries is subject, and all other matters known to it, that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. The reports, financial statements, certificates and other written information (other than projected or pro forma financial information) furnished by or on behalf of any Loan Party to any Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (as modified or supplemented by other information so furnished), taken as a whole, do not contain any material misstatement of fact or omit to state any material fact necessary to make the statements therein (when taken as a whole), in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected or pro forma financial information, each Loan Party represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time of preparation and delivery (it being understood that such projected information may vary from actual results and that such variances may be material).

(b) As of the Closing Date, the information included in the Beneficial Ownership Certification is true and correct in all respects.

SECTION 3.11 Compliance with Laws. Each of the Loan Parties and its Subsidiaries is in compliance with the requirements of all Laws (including Environmental Laws) and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to so comply, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

#### SECTION 3.12 ERISA Compliance.

(a) Except as could not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect, (i) each Plan is in compliance with the applicable provisions of ERISA, the Code and other federal or state Laws and (ii) each Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter from the IRS to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the IRS to be exempt from federal income tax under Section 501(a) of the Code, or an application for such a letter is currently being processed by the IRS, or the Plan is covered by an opinion issued to a pre-approved plan document sponsor, and, to the knowledge of any Loan Party, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the knowledge of any Loan Party, threatened or contemplated claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that, either individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect.

(c) No ERISA Event has occurred, and neither any Loan Party nor any ERISA Affiliate is aware of any fact, event or circumstance that, either individually or in the aggregate, could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan that, either individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect.

(d) The present value of all accrued benefits under each Pension Plan (based on those assumptions used to fund such Pension Plan) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Pension Plan allocable to such accrued benefits by a material amount. As of the most recent valuation date for each Multiemployer Plan, the potential liability of any Loan Party or any ERISA Affiliate for a complete withdrawal from such Multiemployer Plan (within the meaning of Section 4203 or Section 4205 of ERISA), when aggregated with such potential liability for a complete withdrawal from all Multiemployer Plans, is zero.

(e) To the extent applicable, each Foreign Plan has been maintained in compliance with its terms and with the requirements of any and all applicable requirements of Law and has been maintained, where required, in good standing with applicable regulatory authorities, except to the extent that the failure so to comply could not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect. Neither the Parent nor any of its Subsidiaries has incurred any material obligation in connection with the termination of or withdrawal from any Foreign Plan. The present value of the accrued benefit liabilities (whether or not vested) under each Foreign Plan that is funded, determined as of the end of the most recently ended fiscal year of the Parent or its Subsidiaries, as applicable, on the basis of actuarial assumptions, each of which is reasonable, did not exceed the current value of the property of such Foreign Plan by a material amount, and for each Foreign Plan that is not funded, the obligations of such Foreign Plan are properly accrued.

SECTION 3.13 Environmental Matters. Except with respect to any matters that, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect, neither the Parent nor any of its Subsidiaries nor any Controlled Investment Entity (a) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (b) knows of any basis for any permit, license or other approval required under any Environmental Law to be revoked, canceled, limited, terminated, modified, appealed or otherwise challenged, (c) has or could reasonably be expected to become subject to any Environmental Liability, (d) has received notice of any claim, complaint, proceeding, investigation or inquiry with respect to any Environmental Liability (and no such claim, complaint, proceeding, investigation or inquiry is pending or, to the knowledge of the Borrower/Borrowers, is threatened or contemplated) or (e) knows of any facts, events or circumstances that could give rise to any basis for any Environmental Liability of the Parent or any of its Subsidiaries or any Controlled Investment Entity.

SECTION 3.14 Margin Regulations. No Loan Party is engaged or will engage, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock and no part of the proceeds of any Credit Extension has been used, whether directly or indirectly, for the purchase or carry of Margin Stock (other than Margin Stock in Enstar Group Limited) and no part of the proceeds of any Credit Extension used, directly or indirectly, to purchase or carry Margin Stock in Enstar Group Limited has been used, whether directly or indirectly, for any purpose that entailed a violation of any of the regulations of the Board, including Regulation T, Regulation U and Regulation X. Following the application of the proceeds of each Borrowing, not more than 25% of the value of the assets (either of a Borrower only or of the Group on a consolidated basis) will be Margin Stock.

SECTION 3.15 Net Worth. On the date of this Agreement, the Consolidated Net Worth of the Parent is not less than \$2,300,000,000.

SECTION 3.16 Investment Company Act. Neither the Parent nor any of its Subsidiaries is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

SECTION 3.17 Center of Main Interests and Establishments. In relation to each Loan Party incorporated in a member state of the European Union, for the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the "Regulation"), its center of main interest (as that term is used in Article 3(1) of the Regulation) is situated in its jurisdiction of incorporation and it has no "establishment" (as that term is used in Article 2(h) of the Regulations) in any other jurisdiction.

SECTION 3.18 Sanctions; Anti-Corruption.

(a) None of the Parent, any of its Subsidiaries or any Controlled Investment Entity or any director, officer, employee, agent, or affiliate of the Parent or any of its Subsidiaries or any Controlled Investment Entity is an individual or entity ("person") that is, or is owned or controlled by persons that are: (i) the subject of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, the Bermuda Monetary Authority, [Australia \(including the Australian Department of Foreign Affairs and Trade\)](#), or other relevant sanctions authority (collectively, "Sanctions"), or (ii)

located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions (including, Crimea, Cuba, Iran, North Korea and Syria).

(b) The Parent, its Subsidiaries and each Controlled Investment Entity and their respective directors, officers and employees and, to the knowledge of the Parent, the agents of the Parent and its Subsidiaries and each Controlled Investment Entity, are in compliance with all applicable Sanctions and with the Bribery Act 2010 of the United Kingdom, the Foreign Corrupt Practices Act of 1977 and the PATRIOT Act, each as amended, and the rules and regulations thereunder (the “FCPA”, the “Bribery Act” and the PATRIOT Act respectively) and any other applicable anti-corruption and anti-money laundering law. None of the Parent, its Subsidiaries, any Controlled Investment Entity and their respective directors, officers and employees and, to the knowledge of the Parent, the agents of the Parent and its Subsidiaries and each Controlled Investment Entity, are under investigation by any Governmental Authority for an alleged breach of Sanctions, the Bribery Act, the FCPA, the PATRIOT Act or any other applicable anti-corruption or anti-money laundering law. The Parent, its Subsidiaries and each Controlled Investment Entity have instituted and maintain policies and procedures designed to promote and achieve continued compliance with applicable Sanctions, the Bribery Act, the FCPA, the PATRIOT Act and any other applicable anti-corruption and anti-money laundering laws.

SECTION 3.19 Solvency. Each Loan Party is Solvent.

SECTION 3.20 Group Structure Chart. As of the date of this Agreement, the Group Structure Chart is true complete and accurate in all material respects.

SECTION 3.21 Ownership. Each of the Loan Parties (other than the Parent) is a direct or indirect Wholly-Owned Subsidiary of the Parent.

SECTION 3.22 EEA Financial Institution. No Loan Party is an EEA Financial Institution.

#### ARTICLE IV

#### CONDITIONS

SECTION 4.01 Closing Date. The obligation of each Lender to make Credit Extensions hereunder is subject to the satisfaction (or waiver in accordance with Section 10.02) of the following conditions (and, in the case of each document specified in this Section to be received by the Administrative Agent, such document shall be in form and substance satisfactory to the Administrative Agent):

(a) Executed Counterparts. The Administrative Agent shall have received from each party thereto a counterpart signed on behalf of such party of this Agreement and the Fee Letters.

(b) Certificates. The Administrative Agent shall have received such customary certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with the Loan Documents (including provision of specimen signatures for all authorized signatories who will sign any Loan Documents or related documents on behalf of any Loan Party).

(c) Corporate Documents. The Administrative Agent shall have received such other documents and certificates (including Organizational Documents, good standing certificates or their equivalent in each applicable jurisdiction and the Group Structure Chart) as the Administrative Agent may reasonably request relating to the organization, existence and good standing of each Loan Party and any other legal matters relating to each Loan Party, the Loan Documents or the transactions contemplated thereby.

(d) Opinion of Counsel to Loan Parties. The Administrative Agent shall have received an opinion of Drinker Biddle & Reath LLP, New York and Delaware counsel to the Loan Parties, addressed to the Administrative Agent and the Lenders and dated the Closing Date, in form and substance satisfactory to the Administrative Agent (and the Parent hereby instructs such counsel to deliver such opinion to such Persons).

(e) Opinions of Counsel to Administrative Agent. The Administrative Agent shall have received opinions of (i) Ashurst LLP, English counsel to the Administrative Agent, and (ii) Appleby (Bermuda) Limited, Bermuda counsel to the Administrative Agent, each addressed to the Administrative Agent and the Lenders and dated the Closing Date, in form and substance satisfactory to the Administrative Agent (and the Administrative Agent hereby instructs such counsel to deliver such opinion to such Persons).

(f) Fees and Expenses. Each Loan Party shall have paid all fees, costs and expenses (including all reasonable and documented legal fees and expenses) agreed in writing to be paid by it to the Agents and the Lenders in connection herewith (including pursuant to the Fee Letters) to the extent due (and, in the case of expenses (including legal fees and expenses), to the extent that statements for such expenses shall have been delivered to the Parent on or prior to the Closing Date).

(g) Termination of Existing Credit Agreement. The Parent shall have provided to the Administrative Agent evidence satisfactory to the Administrative Agent that the revolving credit facility agreement dated as of September 16, 2014 between, among others, the Parent, the lenders party thereto and National Australia Bank Limited as agent (as amended from time to time) has been or concurrently with the initial Credit Extension will be terminated, all amounts due and payable thereunder have been paid or concurrently with the initial Credit Extension will be paid in full and (if applicable) all guarantees and Liens thereunder have been or concurrently with the initial Credit Extension will be released.

(h) KYC Information. Each Loan Party shall have provided to any Lender such documentation and other information that such Lender may reasonably require connection with applicable "know your customer" and anti-money-laundering rules and regulations, including the PATRIOT Act, including, in respect of any Loan Party that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall deliver a Beneficial Ownership Certificate in relation to such Loan Party

(i) Financial Statements. The Administrative Agent shall have received the unaudited consolidated balance sheet of the Parent and its Subsidiaries and the related consolidated statements of income or operations, Shareholders' Equity and cash flows for the fiscal quarter ended on June 30, 2018.

(j) Government Approvals. The Loan Parties shall have obtained all necessary authorizations from Governmental Authorities in connection with the entry into and performance of the transactions contemplated by the Loan Documents (and for the validity or enforceability of the Loan Documents).

(k) Officer's Certificate. The Administrative Agent shall have received a certificate, dated the Closing Date and signed by a Responsible Officer of the Parent, confirming (x) satisfaction of the conditions set forth in this Section 4.01, (y) that the representations and warranties of each Loan Party set forth in this Agreement and in any other Loan Document are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of the Closing Date (or, in the case of any such representation or warranty expressly stated to have been made as of a specific date, as of such specific date) and (z) that no Default has occurred and is continuing.

(l) Other Documents. The Administrative Agent shall have received such other authorizations or documents as the Administrative Agent or any Lender (through the Administrative Agent) may reasonably request in connection with the entry into and performance of the transactions contemplated by any Loan Document or for the validity and enforceability of any Loan Document.

Without limiting the generality of Section 8.03(c), for purposes of determining satisfaction of the conditions specified in this Section, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

The Administrative Agent shall notify the Parent and the Lenders of the Closing Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Credit Extensions hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 10.02) at or prior to 12:00 p.m. (New York City time) on August 20, 2018 (and, in the event that such conditions are not so satisfied or waived, the Commitments shall terminate at such time).

SECTION 4.02 Conditions to All Credit Extensions. The obligation of each Lender to make a Credit Extension (including the initial Credit Extension) is additionally subject to the satisfaction of the following conditions:

(a) the Administrative Agent shall have received a written Borrowing Request in accordance with the requirements hereof;

(b) the representations and warranties of each Loan Party set forth in this Agreement and in any other Loan Document shall be true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of the date of such Credit Extension (or, in the case of any such representation or warranty expressly stated to have been made as of a specific date, as of such specific date); and

(c) no Default shall have occurred and be continuing or would result from such Credit Extension or from the application of proceeds thereof.

Each Borrowing Request hereunder and each Credit Extension shall be deemed to constitute a representation and warranty by the Loan Parties on and as of the date of the applicable Credit Extension as to the matters specified in clauses (b) and (c) above in this Section.

## ARTICLE V

### AFFIRMATIVE COVENANTS

Until the Commitments have expired or been terminated and all Obligations shall have been paid in full, each Loan Party covenants and agrees with the Lenders that:

SECTION 5.01 Financial Statements. The Parent will procure that each Loan Party furnish to the Administrative Agent for distribution to each Lender:

(a) as soon as available, and in any event within 120 days (or 75 days in respect of the Parent) after the end of each of its fiscal years (or, if earlier, 5 days after the date required to be filed with the SEC) (commencing with the fiscal year ended December 31, 2018), (i) a consolidated balance sheet of the Parent and its Subsidiaries as at the end of such fiscal year and the related consolidated statements of income or operations, Shareholders' Equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, audited and accompanied by a report and opinion of independent public accountants of nationally recognized standing, which report and opinion shall be prepared in accordance with generally accepted auditing standards (and shall not be subject to any "going concern" or like qualification, exception or explanatory paragraph or any qualification, exception or explanatory paragraph as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition, results of operations, Shareholders' Equity and cash flows of the Parent and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, and (ii) the management prepared financial statements of each Loan Party other than the Parent as at the end of such fiscal year and the related statements of income or operations, shareholders' equity and cash flows for such fiscal year of such Loan Party setting forth in each case in comparative form the figures for the previous fiscal year, to the effect that such management prepared financial statements present fairly in all material respects the financial condition, results of operations, shareholders' equity and cash flows of such Loan Party in accordance with GAAP consistently applied; provided, however, that to the extent that any Investment Fund, Investment Fund Manager or Investment Fund GP is consolidated with the Parent or any other Loan Party under GAAP for any fiscal year (or any truncated period of any fiscal year), any consolidated financial statements delivered pursuant to this Section 5.01(a) for such fiscal year may include the component parts contributed by such Investment Fund, Investment Fund Manager or Investment Fund GP as a consolidated subsidiary for such period despite that it is not a "Subsidiary" for purposes of this Agreement.;

(b) as soon as available, but in any event within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Parent (or, if earlier, 5 days after the date required to be filed with the SEC) (commencing with the fiscal quarter ended September 30, 2018):

(i) a consolidated balance sheet of the Parent and its Subsidiaries as at the end of such fiscal quarter, the related consolidated statements of income or operations, Shareholders' Equity and cash flows for such fiscal quarter and for the portion of the Parent's fiscal year then ended, in each case setting forth in comparative form, as applicable, the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, certified by a Financial Officer of the Parent as fairly presenting in all material respects the financial condition, results of operations, Shareholders' Equity and cash flows of the Parent and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject only to normal year-end audit adjustments and the absence of notes; and

(ii) management prepared financial statements of each Loan Party other than the Parent as at the end of such fiscal quarter, the related statements of income or operations,

shareholders' equity and cash flows for such fiscal quarter and for the portion of such Loan Party's fiscal year then ended, in each case setting forth in comparative form, as applicable, the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, certified by a Financial Officer of such Loan Party as fairly presenting in all material respects the financial condition, results of operations, shareholders' equity and cash flows of such Loan Party in accordance with GAAP consistently applied, subject only to normal year-end audit adjustments and the absence of notes; ~~and~~

~~provided, however,~~ that to the extent that any Investment Fund, Investment Fund Manager or Investment Fund GP is consolidated with the Parent or any other Loan Party under GAAP for any fiscal quarter (or any truncated period of any fiscal quarter), any consolidated financial statements delivered pursuant to this Section 5.01(b) for such fiscal quarter may include the component parts contributed by such Investment Fund, Investment Fund Manager or Investment Fund GP as a consolidated subsidiary for such period despite that it is not a "Subsidiary" for purposes of this Agreement; ~~and~~

(c) as soon as it is available, but in any event within 120 days after the end of each fiscal year of the Parent, an actuarial report of the Group (on a consolidated basis) on the sufficiency of its consolidated loss and loss adjustment expense reserves, which report shall be prepared by the Group's duly qualified internal team of actuaries; ~~provided, however,~~ that to the extent any Investment Fund, Investment Fund Manager or Investment Fund GP is consolidated with the Parent or any other Loan Party under GAAP for any fiscal year (or any truncated period of such fiscal year), such Investment Fund, Investment Fund Manager or Investment Fund GP may be included in such report despite that it is not a "Subsidiary" and not part of the "Group" for purposes of this Agreement.

SECTION 5.02 Certificates; Other Information. The Parent will deliver to the Administrative Agent for distribution to each Lender:

(a) concurrently with the delivery of the financial statements referred to in Sections 5.01(a) and (b), a duly completed certificate signed by a Responsible Officer of the Parent (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth reasonably detailed calculations demonstrating compliance with Section 6.12 and (iii) setting forth a calculation of the guarantor coverage ratio set forth in Section 5.15;

(b) promptly after the same are publicly available, copies of each annual report, proxy or financial statement or other report or communication sent to the shareholders of the Parent, and copies of all annual, regular, periodic and special reports and registration statements that the Parent or any Subsidiary may file or be required to file with the SEC or any Governmental Authority succeeding to any or all of the functions of the SEC, or with any national securities exchange, and not otherwise required to be delivered pursuant hereto;

(c) promptly after the furnishing thereof, copies of any material request or notice received by the Parent or any Subsidiary, or any statement or report furnished by the Parent or any Subsidiary to any holder of debt securities of the Parent or any Subsidiary, pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished pursuant hereto;

(d) promptly after receipt thereof by the Parent or any Subsidiary, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other similar inquiry by such agency regarding financial or other operational results of the Parent or any Subsidiary thereof; and

(e) promptly following any request therefor, (i) such other information regarding the operations, business or financial condition of the Parent or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender (through the Administrative Agent) may from time to time reasonably request; or (ii) information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" requirements under the Bribery Act, the FCPA, the PATRIOT Act or other applicable anti-money laundering laws.

Documents required to be delivered pursuant to Section 5.01(a) or (b) or Section 5.02(b) may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which such materials are publicly available as posted on the Electronic Data Gathering, Analysis and Retrieval system (EDGAR); or (ii) on which such documents are posted on the Parent's behalf on an Internet or intranet

website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that the Parent shall notify the Administrative Agent and each Lender (by telecopier or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents.

SECTION 5.03 Notices. The Parent will promptly notify the Administrative Agent and each Lender of:

(a) the occurrence of any Default;

(b) the filing or commencement of any action, suit, investigation or proceeding by or before any arbitrator or Governmental Authority against or affecting any Loan Party or any Affiliate thereof, including pursuant to any applicable Environmental Laws, that could reasonably be expected to be adversely determined, and, if so determined, could reasonably be expected to have a Material Adverse Effect;

(c) the occurrence of any ERISA Event that, either individually or together with any other ERISA Events, could reasonably be expected to have a Material Adverse Effect;

(d) notice of any action arising under any Environmental Law or of any noncompliance by any Loan Party or any Subsidiary or any Controlled Investment Entity with any Environmental Law or any permit, approval, license or other authorization required thereunder that, if adversely determined, could reasonably be expected to have a Material Adverse Effect;

(e) any material change in accounting or financial reporting practices by any Loan Party

(f) any change in the Credit Ratings from a Credit Rating Agency, or the placement by a Credit Rating Agency of any Loan Party on a "CreditWatch" or "WatchList" or any similar list, in each case with negative implications, or the cessation by a Credit Rating Agency of, or its intent to cease, rating any Loan Party's debt; and

(g) any matter or development that has had or could reasonably be expected to have a Material Adverse Effect.

Each notice delivered under this Section shall be accompanied by a statement of a Responsible Officer of the relevant Loan Party setting forth the details of the occurrence requiring such notice and stating what action the relevant Loan Party has taken and proposes to take with respect thereto.

SECTION 5.04 Preservation of Existence, Etc. Each Loan Party will, and will cause each of its Subsidiaries to, (a) preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 6.03 or 6.04; (b) take all reasonable action to maintain all rights, licenses, permits, privileges and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and (c) preserve or renew all of its registered patents, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

SECTION 5.05 Maintenance of Properties. Each Loan Party will, and will cause each of its Subsidiaries to, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect, (a) maintain, preserve and protect all of its properties and equipment necessary in the operation of its business in good working order and condition (ordinary wear and tear excepted) and (b) make all necessary repairs thereto and renewals and replacements thereof.

SECTION 5.06 Maintenance of Insurance. Each Loan Party will, and will cause each of its Subsidiaries to, maintain with financially sound and reputable insurance companies, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts (after giving effect to any self-insurance reasonable and customary for similarly situated Persons engaged in the same or similar businesses as the relevant Loan Party and its Subsidiaries) as are customarily carried under similar circumstances by such Persons.

SECTION 5.07 Payment of Obligations. Each Loan Party will, and will cause each of its Subsidiaries to, pay, discharge or otherwise satisfy as the same shall become due and payable, all of its

obligations and liabilities, including Tax liabilities, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the relevant Loan Party or such Subsidiary, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

SECTION 5.08 Compliance with Laws. Each Loan Party will, and will cause each of its Subsidiaries to, comply with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

SECTION 5.09 Environmental Matters. Except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect, each Loan Party will, and will cause each of its Subsidiaries and each Controlled Investment Entity to, (a) comply with all Environmental Laws, (b) obtain, maintain in full force and effect and comply with any permits, licenses or approvals required for the facilities or operations of such Loan Party or any of its Subsidiaries or any Controlled Investment Entity, and (c) conduct and complete any investigation, study, sampling or testing, and undertake any corrective, cleanup, removal, response, remedial or other action necessary to identify, report, remove and clean up all Hazardous Materials present or released at, on, in, under or from any of the facilities or real properties of such Loan Party or any of its Subsidiaries or any Controlled Investment Entity.

SECTION 5.10 Books and Records. Each Loan Party will, and will cause each of its Subsidiaries to, maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of such Loan Party or such Subsidiary, as the case may be.

SECTION 5.11 Inspection Rights. Each Loan Party will, and will cause each of its Subsidiaries to, permit representatives and independent contractors of the Administrative Agent and each Lender to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at the reasonable expense of such Loan Party and at such reasonable times during normal business hours and as often as may be reasonably requested; provided that, other than with respect to such visits and inspections during the continuation of an Event of Default, (a) only the Administrative Agent on behalf of the Lender may exercise rights under this Section and (b) the Administrative Agent shall not exercise such rights more often than two times during any calendar year; provided, further, that when an Event of Default exists the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing under this Section at the expense of such Loan Party and at any time during normal business hours and without advance notice.

SECTION 5.12 Use of Proceeds. The Borrowers will, and will cause each of ~~its~~their Subsidiaries to, use the proceeds of the Loans for general corporate purposes of the Group, including acquisitions permitted under this Agreement, not in contravention of any Law or of any Loan Document.

SECTION 5.13 Sanctions; Anti-Corruption Laws. Each Loan Party will maintain in effect policies and procedures designed to promote compliance by such Loan Party, its Subsidiaries, each Controlled Investment Entity, ~~and~~ and their respective directors, officers, employees, and agents with applicable Sanctions and with the Bribery Act, the FCPA and any other applicable anti-corruption and anti-money laundering laws.

SECTION 5.14 Bermuda Solvency Coverage Ratio. The Parent shall ensure at all times that the Group Enhanced Capital Resources exceed 100 percent of the Group Enhanced Capital Requirement.

SECTION 5.15 Guarantors. The Parent shall ensure at all times after the Closing Date that Guarantors with positive Net Worth shall have an aggregate Net Worth (excluding the Parent and calculated quarterly on a consolidated basis) of not less than 80% of Consolidated Net Worth of the Parent. This covenant shall be tested quarterly at the end of each fiscal quarter. If, based on the financial statements most recently delivered pursuant to Section 5.01(a) or 5.01(b), the aggregate Net Worth of Guarantors with positive Net Worth (excluding the Parent and calculated quarterly on a consolidated basis) is not at least 80% of the Consolidated Net Worth of Parent, then within 30 days of delivery of such financial statements the Parent shall either (a) take such action as it deems appropriate to increase the Net Worth of the Guarantors so that the foregoing requirement is satisfied or (b) cause such other members of the Group to become Guarantors such that the foregoing requirement is satisfied, and in each case deliver evidence of such compliance to the Administrative Agent. Subject to compliance with any client identification or know-your-customer requirements the Administrative Agent or the Lenders may have, the Parent may request that any of its Wholly-Owned Subsidiaries become a Guarantor hereunder by delivering an executed counterpart of a Guarantor Joinder

Agreement or comparable guaranty documentation reasonably satisfactory to the Administrative Agent within ten (10) Business Days of becoming aware of that the test set out in this Section 5.16 is not or will not be met (or such longer time period agreed to by the Administrative Agent in its reasonable discretion) (it being understood that such Guarantor Joinder Agreement or comparable guaranty documentation shall be accompanied by documentation with respect thereto substantially consistent with the documentation delivered pursuant to Section 4.01(c)). If requested by the Administrative Agent, the Administrative Agent shall receive an opinion or opinions of counsel for the Parent in form and substance reasonably satisfactory to the Administrative Agent in respect of matters reasonably requested by the Administrative Agent relating to any such Guarantor Joinder Agreement or comparable guaranty documentation delivered pursuant to this Section 5.15, dated as of the date of such Guarantor Joinder Agreement or comparable guaranty documentation. At any time that any Investment Fund is included in the calculation of Consolidated Net Worth of the Parent but is not included in the calculation of Net Worth of any Guarantor (other than the Parent), if the Parent is not in compliance with the covenant set forth in the first sentence of this Section 5.15 but would be in compliance with such covenant if the Net Worth contributed by such Investment Fund or Investment Funds were excluded from the calculation of Consolidated Net Worth of the Parent, then the covenant in the first sentence of Section 5.15 shall be deemed to be satisfied and the Parent shall not be required to take any action with respect to the second, third and fourth sentences of this Section 5.15.

## ARTICLE VI

### NEGATIVE COVENANTS

Until the Commitments have expired or been terminated and all Obligations have been paid in full, each Loan Party covenants and agrees with the Lenders that:

**SECTION 6.01 Indebtedness.** No Loan Party will, nor will it permit any Subsidiary to, create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness under the Loan Documents;

(b) Indebtedness outstanding on the date hereof and listed on Schedule 6.01 and any refinancings, refundings, renewals or extensions thereof; provided that the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder;

(c) Guarantees:

(i) of any Loan Party or any Subsidiary in respect of Indebtedness otherwise permitted hereunder of such Loan Party or any Wholly-Owned Subsidiary;

(ii) given in respect of netting or set-off arrangements permitted pursuant to Section 6.02(m);

(iii) given by the Parent in the ordinary course of its insurance business excluding, for the avoidance of doubt, (x) any Guarantee of Indebtedness which Indebtedness is not otherwise permitted under this Section 6.01 and (y) any Guarantee of Indebtedness incurred by any Investment Entity;

(iv) not otherwise permitted hereunder made in the ordinary course of business in an aggregate amount not exceeding \$100,000,000 (but in no event shall this subclause (iv) permit any Guarantees in respect of which the "primary obligor" is an Investment Entity);

provided that no new Guarantees of Indebtedness will be permitted at any time after the occurrence of a Default which is continuing, other than Guarantees of Indebtedness provided in the ordinary course of trading by members of the Group which are not Loan Parties;

(d) obligations (contingent or otherwise) of a Loan Party or any Subsidiary existing or arising under any Swap Contract entered into in compliance with Section 6.17;

(e) Indebtedness of any Person that becomes a Subsidiary after the date hereof; provided that such Indebtedness (i) exists at the time such Person becomes a Subsidiary and is not created or increased or has its maturity date extended (other than by the waiver of any applicable change of control provision) in contemplation of, or in connection with, or since such Person becoming a Subsidiary and (ii) remains outstanding for a period of no more than six months following that acquisition;

(f) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees and similar obligations not in connection with money borrowed, in each case provided in the ordinary course of business, including those incurred to secure health, safety and environmental obligations in the ordinary course of business;

(g) Indebtedness (i) resulting from a bank or other financial institution honoring a check, draft or similar instrument in the ordinary course of business or (ii) arising under or in connection with cash management services in the ordinary course of business;

(h) Acquisition SPV Indebtedness in an aggregate principal amount not exceeding 25% of Consolidated Net Worth at any time outstanding (provided that no such Acquisition SPV Indebtedness shall be utilized in respect of or for the benefit of any Investment Entity);

(i) Indebtedness incurred pursuant to any letter of credit or its equivalent in the ordinary course of business;

(j) other Indebtedness of any member of the Group that is not a Loan Party in an aggregate principal amount for all such Indebtedness under this paragraph (j) not exceeding 5% of Consolidated Net Worth at any time outstanding (provided that this basket shall not be utilized to Guarantee Indebtedness of an Investment Entity);

(k) other Indebtedness of a Loan Party that would not cause a breach of Section 6.12 and which is unsecured and ranks pari passu with, or is subordinated to, any rights or claims of the Lenders under any of the Loan Documents (provided that this basket shall not be utilized to Guarantee Indebtedness of an Investment Entity); and

(l) to the extent constituting Indebtedness, Investments permitted by Section 6.06(c), provided that such Indebtedness shall, by its terms, be expressly subordinated in right of payment to the Obligations.

**SECTION 6.02 Liens.** No Loan Party will, nor will it permit any Subsidiary to, create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following:

(a) Liens existing on the date hereof and listed on Schedule 6.02 and any renewals or extensions thereof, provided that (i) the property covered thereby is not changed, (ii) the amount secured or benefited thereby is not increased except as contemplated by Section 6.01(b), (iii) the direct or any contingent obligor with respect thereto is not changed and (iv) any renewal or extension of the obligations secured or benefited thereby is permitted by Section 6.01(b);

(b) Liens for Taxes not yet due or that are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(c) carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business that are not overdue for a period of more than 30 days or that are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person;

(d) pledges or deposits in the ordinary course of business in connection with (i) workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA, and (ii) public utility services provided to a Loan Party or a Subsidiary;

(e) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(f) easements, rights-of-way, restrictions and other similar encumbrances affecting real property that, in the aggregate, are not substantial in amount, and that do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person, and any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property that does not materially interfere with the ordinary conduct of the business of a Loan Party and its Subsidiaries;

(g) Liens securing judgments for the payment of money not constituting an Event of Default under Section 7.01(j);

(h) any Lien existing on any property or asset prior to the acquisition thereof by a Loan Party or any Subsidiary or existing on any property or asset of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary; provided that (i) such Lien is not created in contemplation of, in connection with or since such acquisition or such Person becoming a Subsidiary, as the case may be, (ii) such Lien shall not apply to any other property or assets of the ~~Borrower~~Borrowers or any Subsidiary and (iii) such Lien shall secure only those obligations that it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be, and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof and (iv) such Lien is removed or discharged within six months of such acquisition or such Person becoming a Subsidiary except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such extension, renewal, or replacement;

(i) Liens (i) of a collecting bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection, (ii) in favor of a banking institution encumbering deposits (including the right of setoff) that are customary in the banking industry, and (iii) in favor of a custodian bank on assets subject to the custodial arrangement with such custodian bank which arrangements are entered into in the ordinary course of business.;

(j) any interest or title of a lessor, sublessor, licensor or sublicensor under leases or licenses permitted by this Agreement that are entered into in the ordinary course of business;

(k) leases, licenses, subleases or sublicenses granted to others in the ordinary course of business that do not (i) interfere in any material respect with the ordinary conduct of the business of the ~~Borrower~~Borrowers and ~~its~~their Subsidiaries, or (ii) secure any Indebtedness;

(l) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(m) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Group but only so long as (A) such arrangement does not permit credit balances of Loan Parties to be netted or set-off against debit balances of members of the Group which are not Loan Parties and (B) such arrangement does not give rise to other Lien over the assets of Loan Parties in support of liabilities of members of the Group which are not Loan Parties;

(n) Liens provided by an Acquisition SPV to the provider of any credit facilities constituting Acquisition SPV Indebtedness over all or part of the assets of that Acquisition SPV or any limited recourse Liens provided by any Holding Company of an Acquisition SPV over all or part of the Equity Interests or other ownership interests held in that Acquisition SPV;

(o) Liens created by a member of the Group in support of a letter of credit or its equivalent in the ordinary course of business of the relevant member of the Group;

(p) Liens arising by virtue of trust arrangements, withheld balances, administrative accounts, or any other collateral or security arrangements incurred in connection with any Policies, Reinsurance

Agreements or related agreements in the ordinary course of business or capital support agreements or any other agreements by the Loan Parties in support of the capital of any Insurance Subsidiary, or guarantees or any other agreements by the Loan Parties guaranteeing the obligations of any Insurance Subsidiary under any Policies or Reinsurance Agreements in each case entered into in the ordinary course of business; and

(q) Liens securing Indebtedness and other obligations (other than Indebtedness and other obligations of an Investment Entity) in an aggregate amount not exceeding 2.5% of Consolidated Net Worth at any time outstanding.

**SECTION 6.03 Fundamental Changes.** No Loan Party will, nor will it permit any Subsidiary to, merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except that, so long as no Default exists or would result therefrom:

(a) any Subsidiary may merge with (i) a Loan Party, provided that a Loan Party shall be the continuing or surviving Person, or (ii) any one or more other Subsidiaries (other than a Loan Party), provided that when any Wholly-Owned Subsidiary is merging with another Subsidiary, a Wholly-Owned Subsidiary shall be the continuing or surviving Person;

(b) any Subsidiary may Dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to a Loan Party or to another Subsidiary; provided that if the transferor in such a transaction is a Wholly-Owned Subsidiary, then the transferee shall either be a Loan Party or another Wholly-Owned Subsidiary and if the transferor is a Loan Party, then the transferee shall be a Loan Party;

(c) a Loan Party and its Subsidiaries may make Dispositions permitted by Section 6.04;

(d) any Investment permitted by Section 6.06 may be structured as a merger, consolidation or amalgamation; and

(e) any Subsidiary may dissolve, liquidate or wind up its affairs if it owns no material assets, engages in no business and otherwise has no activities other than activities related to the maintenance of its existence and good standing.

**SECTION 6.04 Dispositions.** No Loan Party will, and will not permit any Subsidiary to, make any Disposition or enter into any agreement to make any Disposition, except:

(a) Dispositions of obsolete or worn out property, whether now owned or hereafter acquired, in the ordinary course of business;

(b) Dispositions of inventory and Investments in the ordinary course of business (other than Equity Interests of Subsidiaries, lines of business, real property or intellectual property);

(c) Dispositions of assets (other than Equity Interests of Subsidiaries, lines of business, real property or intellectual property) to the extent that such assets are exchanged for other assets comparable or superior as to type, value and quality;

(d) Dispositions of property by (i) any Wholly-Owned Subsidiary (which is not itself a Loan Party) to a Loan Party or to another Wholly-Owned Subsidiary, (ii) any Subsidiary (which is not itself a Loan Party or a Wholly-Owned Subsidiary) to a Loan Party or to another Subsidiary or (iii) a Loan Party to another Loan Party or a Wholly-Owned Subsidiary;

(e) Dispositions of property as a result of a casualty event involving such property or any Disposition of real property to a Governmental Authority as a result of a condemnation of such real property;

(f) Dispositions of assets (other than cash) to an Acquisition SPV;

(g) Dispositions permitted by Section 6.03;

(h) Dispositions of intellectual property rights that are no longer used or useful in the business of a Loan Party and its Subsidiaries;

(i) Restricted Payments permitted by Section 6.05 and Investments permitted by Section 6.06;

(j) of all or part of any Investments acquired after the date of this Agreement provided that such disposal is completed within 180 days of that acquisition;

(k) Dispositions of assets by a Loan Party and its Subsidiaries, including Insurance Subsidiaries, in connection with an Insurance Contract, Reinsurance Agreement or any related agreement, in each case in the ordinary course of business; and

(l) Dispositions by a Loan Party and its Subsidiaries not otherwise permitted under this Section; provided that the aggregate book value of all property Disposed of pursuant to this clause (l) in any fiscal year shall not exceed 2.5% of Consolidated Net Worth of the Parent.

SECTION 6.05 Restricted Payments. Parent will not declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that:

(a) the Parent may declare and make dividend payments or other distributions payable solely in Equity Interests of the Parent;

(b) the Parent may purchase, redeem or otherwise acquire Equity Interests issued by it with the proceeds received from the substantially concurrent issue of new common Equity Interests;

(c) the Parent may (i) declare or pay cash dividends to its shareholders and (ii) purchase, redeem or otherwise acquire for cash its Equity Interests if no Default or Event of Default exists either before or after giving effect thereto; and

(d) the Parent may pay withholding or similar taxes payable by any future, present or former employee, director or officer (or any spouses, former spouses, successors, executors, administrators, heirs, legatees or distributees of any of the foregoing) in connection with any repurchases of Equity Interests or the exercise of stock options.

SECTION 6.06 Investments. No Loan Party will, and will not permit any Subsidiary to, make any Investments, except:

(a) Investments held by a Loan Party or such Subsidiary in the form of Cash Equivalents ;

(b) (i) Investments in Subsidiaries in existence on the Closing Date, and (ii) other Investments in existence on the Closing Date and identified on Schedule 6.06, and any refinancing, refunding, renewal or extension of any such Investment that does not increase the amount thereof except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing, refunding, renewal or extension;

(c) Investments of any Loan Party in any Subsidiary or in another Loan Party and Investments of any Subsidiary in any Loan Party or in another Subsidiary;

(d) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;

(e) Investments consisting of the indorsement by any Loan Party or any Subsidiary of negotiable instruments payable to such Person for deposit or collection in the ordinary course of business;

(f) to the extent constituting an Investment, transactions otherwise permitted by Sections 6.01, 6.03 and 6.05;

(g) any acquisition (A) by a member of the Group other than a Loan Party of a company, entity, business or undertaking (or in each case, any interest in any of them) or (B) by a Loan Party of a company or entity (or in each case any interest in any of them), in each case:

(i) which either (y) holds (or after giving effect to the transaction or series of transactions contemplated therewith, will hold) more than 50 percent of its assets in or generates more than 50 percent of its revenues from the insurance, reinsurance, asset management or insurance broking sectors or (z) for which the majority of the liabilities of the company, entity, business or undertaking consists of direct exposure from legacy operations to claims in lines of business in the Group's portfolio of existing non-life run-off liabilities; and

(ii) whose gross assets would represent in aggregate less than 25 percent of the pro forma consolidated total assets (in each case determined in accordance with GAAP) of the Group immediately following such acquisition,

provided, that, (1) for any such acquisition by a member of the Group other than a Loan Party, such acquisition may be effected by (x) acquisition of all or a portion of the Equity Interests (y) subject to compliance with Section 6.03, by way of a merger or (z) an acquisition of new business effected through a portfolio transfer or reinsurance transaction, and (2) for any such acquisition by a Loan Party, such acquisition may be effected by acquisition of all or a portion of the Equity Interests of such company or entity.

(h) the incorporation or formation of a company as a Subsidiary;

(i) any acquisition by a member of the Group of an Equity Interest from another member of the Group to the extent that the disposal of such Equity Interest is not otherwise restricted by Section 6.04;

(j) Investments in accordance with the investment policy of the Parent and its Subsidiaries as approved by the board of directors (or a committee thereof) of the Parent from time to time; and

(k) Investments not otherwise permitted under this Section; provided that the aggregate fair value of all Investments pursuant to this clause (k) in any fiscal year shall not exceed 2.5% of the Consolidated Net Worth of the Parent.

SECTION 6.07 Transactions with Affiliates. Each Loan Party will not, and will not permit any Subsidiary to, enter into any transaction of any kind with any Affiliate of a Loan Party, whether or not in the ordinary course of business, other than on fair and reasonable terms substantially as favorable to such Loan Party or such Subsidiary as would be obtainable by such Loan Party or such Subsidiary at the time in a comparable arm's-length transaction with a Person other than an Affiliate; provided that the foregoing restriction shall not apply to (a) transactions between or among the Loan Parties and any of their Wholly-Owned Subsidiaries or between and among any Wholly-Owned Subsidiaries, (b) Restricted Payments permitted by Section 6.05, (c) Investments permitted by Section 6.06(b), (c) or (d) and (d) transactions in the ordinary course of business with Investment Funds, Investment Fund Managers and Investment Fund GPs.

SECTION 6.08 ~~Certain Restrictive Agreements [Reserved]. Except for limitations imposed by the Loan Documents and the Term Loan Credit Documents or pursuant to any applicable laws, rules or regulations of any Governmental Authority or other insurance regulatory body, each Loan Party will not, and will not permit any Subsidiary to, enter into any Contractual Obligation (other than this Agreement or any other Loan Document) that, directly or indirectly, limits the ability of (a) any Subsidiary to make Restricted Payments to a Loan Party or to otherwise transfer property to a Loan Party, (b) any Subsidiary to Guarantee Indebtedness of a Loan Party or (c) a Loan Party or any Subsidiary to create, incur, assume or suffer to exist Liens on property of such Person to secure the Obligations; provided that this clause (c) shall not prohibit any negative pledge incurred or provided in favor of any holder of Indebtedness permitted under Section 6.04 solely to the extent that any such negative pledge relates to the property financed by or the subject of such Indebtedness; provided, further, that this clause (c) shall not prohibit any provision in a joint venture agreement limiting Liens on equity interests in such joint venture so long as (i) such provision applies only to such joint venture and the equity interests in such joint venture; and (ii) with respect to any joint venture subject to such a covenant limiting Liens on the equity interests in such joint venture and entered into by a Loan Party or Subsidiary after August 16, 2018 (a "Prospective JV"), (1) the aggregate amount of Investments in such Prospective JV by the Loan Parties and Subsidiaries after August 16, 2018 does not exceed 10.0% of the Consolidated Net Worth of the Parent, and (2) the aggregate amount of Investments in all Prospective JVs by the Loan Parties and Subsidiaries does not exceed 20.0% of the Consolidated Net Worth of the Parent (it being understood and agreed that (x) clause (1) above shall be tested each time a Loan Party or Subsidiary makes an Investment in a Prospective JV after August 16, 2018 on a pro forma basis after giving effect to such investment, (y) clause (2) above shall be tested each time a Loan Party or Subsidiary makes an Investment in a Prospective JV after August 16, 2018 on a pro~~

~~forma basis after giving effect to such Investment, and (z) the amount of any Investment in a Prospective JV will be determined immediately following the most recent Investment in such joint venture by any Loan Party or Subsidiary and shall equal the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment and net of any dividends, distributions or other returns of capital or repayments of principal received in respect of such Investment or the proceeds of any Dispositions received in respect of such Investment. For purposes of the foregoing, any joint venture separately named in a writing delivered by the Parent to the Administrative Agent shall not be deemed to be a Prospective JV upon the written consent of the Required Lenders. The limitations and restrictions of this Section 6.08 shall not apply to the Organizational Documents of any Investment Fund, Investment Fund Manager or Investment Fund GP or to the Contractual Obligations of any of the foregoing.~~

SECTION 6.09 Changes in Fiscal Periods. Each Loan Party will not permit the last day of its fiscal year to end on a day other than December 31 or change any Loan Party's method of determining its fiscal quarters.

SECTION 6.10 Changes in Nature of Business. Each Loan Party will not, and will not permit any Subsidiary to, engage to any material extent in any business other than those businesses conducted by such Loan Party and its Subsidiaries on the date hereof or any business reasonably related or incidental thereto or representing a reasonable expansion thereof.

SECTION 6.11 Restriction on Use of Proceeds. No part of the proceeds of any Credit Extension will be used, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry Margin Stock (other than Margin Stock in Enstar Group Limited) and no part of the proceeds of any Credit Extension used, directly or indirectly, to purchase or carry Margin Stock in Enstar Group Limited will be used for any purpose that entails a violation of or is inconsistent with any of the regulations of the Board, including Regulation T, Regulation U and Regulation X. If requested by any Lender, the Borrowers will furnish to such Lender a statement to the foregoing effect in conformity with the requirements of FR Form G-3 or FR Form U 1 referred to in Regulation U.

SECTION 6.12 Financial Covenants.

(a) Parent Net Worth. The Consolidated Net Worth of the Parent shall at all times not be less than the aggregate of:

(i) \$2,300,000,000; plus

(ii) 50.0% of the net income available for distribution to common shareholders of the Parent at any time after the Closing Date; plus

(iii) 50.0% of the proceeds of any common stock issuance of the Parent made after the Closing Date.

(b) Gearing Ratio. The Consolidated Financial Indebtedness of the Parent shall not at any time be more than 35.0% of the Total Capital.

(c) The financial covenants in this Section 6.12 shall be in effect at all times but shall be tested on each Quarter Date commencing with the first Quarter Date after the Closing Date. The financial covenants set out in Sections 6.12(a) and 6.12(b) shall be calculated in accordance with GAAP and, in each case, shall be tested first by reference to the quarterly consolidated balance sheet and related financial statements and, where available, by reference to the annual consolidated balance sheet and related financial statements (each delivered in accordance with Section 5.01(b) and Section 5.01(a)(i) respectively). No item shall be deducted or credited more than once in any such calculation. Where an amount in any financial statement is not denominated in Dollars, it shall be converted into Dollars at the rate specified in the financial statements so long as such rate has been set in accordance with GAAP.

(d) Notwithstanding anything set forth in this Agreement, for purposes of calculating the financial covenant set forth in Section 6.12(b), no Investment Entity shall be consolidated with the Parent, but rather shall be accounted for on a non-consolidated basis with its carrying value contributing to the various components of the financial covenant set forth in Section 6.12(b), in each case in a manner that is consistent with the treatment of InRe Fund in the Parent's consolidated financial statements for the fiscal year ended December 31, 2020.

SECTION 6.13 Sanctions; Anti-Corruption Use of Proceeds. Each Loan Party will not, directly or indirectly, use the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of the Bribery Act, the FCPA or any other applicable anti-corruption law, or (b) (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions, or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Loans, whether as an Agent, an Arranger, a Lender, an underwriter, an advisor, an investor or otherwise).

SECTION 6.14 Bermuda Private Act. No Loan Party will become subject to a Private Act which, in the reasonable determination of the Administrative Agent, would be adverse in any material respect to the rights or interests of the Lenders.

SECTION 6.15 Share Capital. No Loan Party (other than the Parent) will issue any Equity Interests except to another Loan Party.

SECTION 6.16 Amendments. No Loan Party shall amend its Organizational Documents in a way that could reasonably be expected to materially and adversely affect the interests of the Lenders.

SECTION 6.17 Swap Contracts. No Loan Party will enter into any Swap Contract for speculative purposes.

## ARTICLE VII

### EVENTS OF DEFAULT

SECTION 7.01 Events of Default. If any of the following events (each, an "Event of Default") shall occur:

(a) any Loan Party shall fail to pay any principal of any Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) any Loan Party shall fail to pay (i) any interest on any Loan, when the same shall become due and payable, and such failure shall continue unremedied for a period of three or more Business Days, or (ii) any fee or other amount due and payable under this Agreement or under any other Loan Document (other than an amount referred to in clause (a) of this Section), when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five or more Business Days;

(c) any representation or warranty made or deemed made by or on behalf of Loan Party in or in connection with this Agreement or any other Loan Document or any amendment or modification hereof or thereof, or any waiver hereunder or thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement or any other Loan Document or any amendment or modification hereof or thereof, or any waiver hereunder or thereunder, shall prove to have been incorrect in any material respect (or, in the case of any such representation or warranty under this Agreement or any other Loan Document already qualified by materiality, such representation or warranty shall prove to have been incorrect) when made or deemed made;

(d) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in Section 5.01, Section 5.02, Section 5.03(a), Section 5.04 (with respect to any Loan Party's existence), Section 5.12, Section 5.13, Sections 6.04 to 6.06 (inclusive) or Sections 6.09 to 6.16 (inclusive);

(e) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in this Agreement or any other Loan Document (other than those specified in clause (a), (b) or (d) of this Section) and such failure shall continue unremedied for a period of 10 or more Business Days after the earlier of notice thereof by the Administrative Agent to the Parent or a Loan Party becoming aware of the failure to comply;

(f) any Loan Party or any Subsidiary shall fail to observe or perform any agreement or condition relating to any Indebtedness (other than Indebtedness under the Loan Documents) having an aggregate principal amount of more than \$75,000,000 or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or

to permit the holder or holders or beneficiary or beneficiaries of such Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity; provided that this clause (f) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, if such sale or transfer is permitted hereunder and under the documents providing for such Indebtedness and such Indebtedness is repaid when required under the documents providing for such documents;

(g) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization, rehabilitation, conservatorship, delinquency or other relief in respect of any Loan Party or any of its Material Subsidiaries or its debts, or of a substantial part of its assets, under any Debtor Relief Law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Loan Party or any of its Material Subsidiaries or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for a period of 45 or more days or an order or decree approving or ordering any of the foregoing shall be entered;

(h) any Loan Party or any of its Material Subsidiaries shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Debtor Relief Law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (g) of this Section, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Loan Party or any of its Material Subsidiaries or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(i) any Loan Party or any of its Material Subsidiaries shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(j) there is entered against any Loan Party or any Subsidiary (i) a final judgment or order for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding \$75,000,000 (to the extent not covered by independent third-party insurance as to which the insurer has been notified of such judgment or order and has not denied or failed to acknowledge coverage), or (ii) a non-monetary final judgment or order that, either individually or in the aggregate, has or could reasonably be expected to have a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of 30 consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect;

(k) an ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan that has resulted or could reasonably be expected to result in liability of the ~~Borrower~~ Borrowers under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount that could reasonably be expected to have a Material Adverse Effect;

(l) a Change of Control shall occur or a Loan Party (other than the Parent) ceases to be a Wholly-Owned Subsidiary of the Parent;

(m) the cessation, variation or imposition of limitations (for any reason) of any consent, authorization, license and/or exemption which is required to enable the Parent or any Subsidiary to carry on its business, or the taking by any governmental, regulatory or other authority of any action in relation to the Parent or any Subsidiary which is reasonably likely to have a Material Adverse Effect, save that no Event of Default under this Section 7.01(m) will occur if the failure to comply is capable of remedy and is remedied within 20 Business Days of the earlier of (i) the Administrative Agent giving notice to the Parent and (ii) the Parent becoming aware of the failure to comply

(n) any fine, levy or sanctions are imposed upon any member of the Group or any Controlled Investment Entity by the Bermuda Monetary Authority, the PRA or the FCA or by any equivalent regulatory authority in any other jurisdiction or under the Financial Services and Markets Act 2000 of the United Kingdom or any equivalent legislation or regulation in any other jurisdiction which is reasonably likely to have a Material Adverse Effect;

(o) the Guaranty or any other material provision of this Agreement or any other Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in writing the validity or enforceability of any provision of any Loan

Document; or Loan Party denies in writing that it has any or further liability or obligation under any Loan Document to which it is a party, or purports in writing to revoke, terminate or rescind any such Loan Document; then, and in every such event (other than an event described in clause (g) or (h) of this Section), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Parent, take any or all of the following actions, at the same or different times:

(i) terminate the Commitments, and thereupon the Commitments shall terminate immediately;

(ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other Obligations of the Loan Parties accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Loan Parties; and

(iii) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents and Applicable Law;

provided that, in case of any event with respect to a Loan Party or a Material Subsidiary described in clause (g) or (h) of this Section, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other Obligations accrued hereunder, shall automatically become due and payable, in each case without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Loan Parties.

SECTION 7.02 Application of Payments. Notwithstanding anything herein to the contrary, following the occurrence and during the continuance of an Event of Default, and notice thereof to the Administrative Agent by the Parent or the Required Lenders, all payments received on account of the Obligations shall, subject to Section 2.23, shall be applied by the Administrative Agent as follows:

(a) first, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including reasonable and documented fees and disbursements and other charges of counsel payable under Section 10.03 and amounts payable under the Administrative Agency Fee Letter) payable to the Administrative Agent in its capacity as such;

(b) second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders (including reasonable and documented fees and disbursements and other charges of counsel payable under Section 10.03) arising under the Loan Documents, ratably among them in proportion to the respective amounts described in this clause (b) payable to them;

(c) third, to payment of that portion of the Obligations constituting accrued and interest on the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause (c) payable to them;

(d) fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause (d) payable to them;

(e) fifth, to the payment in full of all other Obligations, in each case ratably among the Administrative Agent, the Lenders based upon the respective aggregate amounts of all such Obligations owing to them in accordance with the respective amounts thereof then due and payable; and

(f) finally, the balance, if any, after all Obligations have been indefeasibly paid in full, to the Borrowers or as otherwise required by Law.

## ARTICLE VIII

### AGENCY

**SECTION 8.01 Appointment and Authority.** Each of the Lenders hereby irrevocably appoints National Australia Bank Limited to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Except as otherwise provided in Section 8.06(b), the provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders, and no Loan Party or other Person shall have any rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any Applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

**SECTION 8.02 Rights as a Lender.** The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Loan Parties or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

**SECTION 8.03 Exculpatory Provisions.**

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or Applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Loan Parties or any of their Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 7.01 and 10.02), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent in writing by a Loan Party or a Lender.

(c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

SECTION 8.04 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower/Borrowers), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION 8.05 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Revolving Facility as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

SECTION 8.06 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Parent. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Parent, to appoint a successor, which shall be a bank with an office in New York, or an Affiliate of any such bank with an office in New York. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that in no event shall any such successor Administrative Agent be a Defaulting Lender. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by Applicable Law, by notice in writing to the Parent and such Person remove such Person as Administrative Agent and, in consultation with the Parent, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (ii) except for any indemnity payments owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Administrative Agent (other than any rights to indemnity payments owed to the retiring or removed Administrative Agent), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Parent to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Parent and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 10.03 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent.

SECTION 8.07 Non-Reliance on Agents and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 8.08 No Other Duties. Anything herein to the contrary notwithstanding, the Arrangers, the Syndication Agents and the Documentation Agent listed on the cover page of this Agreement shall not have any duties or responsibilities under this Agreement or any of the other Loan Documents, except in their capacity, as applicable, as Lenders hereunder.

SECTION 8.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on any Loan Party) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 10.03) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 10.03. Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any other Agent any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or any other Agent or to authorize the Administrative Agent to vote in respect of the claim of any Lender or any other Agent in any such proceedings.

## ARTICLE IX

### GUARANTY

SECTION 9.01 Guaranty of the Obligations. The Guarantors hereby jointly and severally guarantee to the Administrative Agent, for the ratable benefit of the Beneficiaries, the due and punctual Payment in Full of all Obligations when the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)) (collectively, the "Guaranteed Obligations").

SECTION 9.02 Contribution by Guarantors. All Guarantors desire to allocate among themselves (collectively, the "Contributing Guarantors"), in a fair and equitable manner, their obligations arising under this Guaranty. Accordingly, in the event any payment or distribution is made on any date by a Guarantor (a "Funding Guarantor") under this Guaranty such that its Aggregate Payments exceeds its Fair Share as of such date, such Funding Guarantor shall be entitled to a contribution from each of the other Contributing Guarantors in an amount sufficient to cause each Contributing Guarantor's Aggregate Payments to equal its Fair Share as of such date. "Fair Share" means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (a) the ratio of (i) the Fair Share Contribution Amount with respect to such Contributing Guarantor to (ii) the aggregate of the Fair Share Contribution Amounts with respect to all Contributing Guarantors multiplied by (b) the aggregate amount paid or distributed on or before such date by all Funding Guarantors under this Guaranty in respect of the Guaranteed Obligations. "Fair Share Contribution Amount" means, with respect to a Contributing Guarantor as of any date of determination, the maximum

aggregate amount of the obligations of such Contributing Guarantor under this Guaranty that would not render its obligations hereunder or thereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Title 11 of the United States Code or any comparable applicable provisions of state law or the laws of the jurisdiction of incorporation or organization of any Guarantor; provided, solely for purposes of calculating the "Fair Share Contribution Amount" with respect to any Contributing Guarantor for purposes of this Section 9.02, any assets or liabilities of such Contributing Guarantor arising by virtue of any rights to subrogation, reimbursement or indemnification or any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Contributing Guarantor. "Aggregate Payments" means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (1) the aggregate amount of all payments and distributions made on or before such date by such Contributing Guarantor in respect of this Guaranty (including in respect of this Section 9.02), minus (2) the aggregate amount of all payments received on or before such date by such Contributing Guarantor from the other Contributing Guarantors as contributions under this Section 9.02. The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Funding Guarantor. The allocation among Contributing Guarantors of their obligations as set forth in this Section 9.02 shall not be construed in any way to limit the liability of any Contributing Guarantor hereunder. Each Guarantor is a third party beneficiary to the contribution agreement set forth in this Section 9.02.

SECTION 9.03 Payment by Guarantors. The Guarantors hereby jointly and severally agree, in furtherance of the foregoing and not in limitation of any other right which any Beneficiary may have at law or in equity against any Guarantor by virtue hereof, that upon the failure of any Borrower to pay any of the Guaranteed Obligations when and as the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)), the Guarantors will immediately upon demand pay, or cause to be paid, in cash, to the Administrative Agent for the ratable benefit of the Beneficiaries, an amount equal to the sum of the unpaid principal amount of all Guaranteed Obligations then due as aforesaid, accrued and unpaid interest on such Guaranteed Obligations (including interest which, but for ~~the any~~ Borrower's becoming the subject of a case under the Bankruptcy Code, would have accrued on such Guaranteed Obligations, whether or not a claim is allowed against the Borrowers for such interest in the related bankruptcy case) and all other Guaranteed Obligations then owed to Beneficiaries as aforesaid.

SECTION 9.04 Liability of Guarantors Absolute. Each Guarantor agrees that its obligations hereunder are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance which constitutes a legal or equitable discharge of a guarantor or surety other than Payment in Full of the Guaranteed Obligations. In furtherance of the foregoing and without limiting the generality thereof, each Guarantor agrees as follows:

(a) this Guaranty is a guaranty of payment when due and not of collectability;

(b) this Guaranty is a primary obligation of each Guarantor and not merely a contract of surety;

(c) Administrative Agent may enforce this Guaranty upon the occurrence and during the continuance of an Event of Default notwithstanding the existence of any dispute between any other Loan Party and any Beneficiary with respect to the existence of such Event of Default;

(d) the obligations of each Guarantor hereunder are independent of the obligations of any other Loan Party of the obligations of any Loan Party, and a separate action or actions may be brought and prosecuted against such Guarantor whether or not any action is brought against any other Loan Party and whether or not such Loan Party is joined in any such action or actions;

(e) payment by any Guarantor of a portion, but not all, of the Guaranteed Obligations shall in no way limit, affect, modify or abridge any Guarantor's liability for any portion of the Guaranteed Obligations which has not been paid. Without limiting the generality of the foregoing, if Administrative Agent is awarded a judgment in any suit brought to enforce any Guarantor's covenant to pay a portion of the Guaranteed Obligations, such judgment shall not be deemed to release such Guarantor from its covenant to pay the portion of the Guaranteed Obligations that is not the subject of such suit, and such judgment shall not, except to the extent satisfied by such Guarantor, limit, affect, modify or abridge any other Guarantor's liability hereunder in respect of the Guaranteed Obligations;

(f) any Beneficiary, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability hereof or giving rise to any reduction, limitation, impairment, discharge or termination of any Guarantor's liability hereunder, from time to time may (i) renew, extend,

accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of the Guaranteed Obligations; (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto and/or subordinate the payment of the same to the payment of any other obligations; (iii) request and accept other guaranties of the Guaranteed Obligations and take and hold security for the payment hereof or the Guaranteed Obligations; (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for payment of the Guaranteed Obligations, any other guaranties of the Guaranteed Obligations, or any other obligation of any Person (including any other Guarantor) with respect to the Guaranteed Obligations; (v) enforce and apply any security now or hereafter held by or for the benefit of such Beneficiary in respect hereof or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that such Beneficiary may have against any such security, in each case as such Beneficiary in its discretion may determine consistent herewith and any applicable security agreement, including foreclosure on any such security pursuant to one or more judicial or non-judicial sales, whether or not every aspect of any such sale is commercially reasonable, and even though such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any other Loan Party or any security for the Guaranteed Obligations; and (vi) exercise any other rights available to it under the Loan Documents; and

(g) this Guaranty and the obligations of Guarantors hereunder shall be valid and enforceable and shall not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than Payment in Full of the Guaranteed Obligations), including the occurrence of any of the following, whether or not any Guarantor shall have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce or agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under the Loan Documents, at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement relating thereto, or with respect to any other guaranty or security for the payment of the Guaranteed Obligations; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to events of default) hereof, any of the other Loan Documents or any agreement or instrument executed pursuant thereto, or of any other guaranty or security for the Guaranteed Obligations, in each case whether or not in accordance with the terms hereof or such Loan Document or any agreement relating to such other guaranty or security; (iii) (the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect; (iv) the application of payments received from any source (other than payments received pursuant to the other Loan Documents or from the proceeds of any security for the Guaranteed Obligations, except to the extent such security also serves as collateral for indebtedness other than the Guaranteed Obligations) to the payment of indebtedness other than the Guaranteed Obligations, even though any Beneficiary might have elected to apply such payment to any part or all of the Guaranteed Obligations; (v) any Beneficiary's consent to the change, reorganization or termination of the corporate structure or existence of any Loan Party or any of its Subsidiaries and to any corresponding restructuring of the Guaranteed Obligations; (vi) any failure to perfect or continue perfection of a security interest in any collateral which secures any of the Guaranteed Obligations; (vii) any defenses, set-offs or counterclaims which any Loan Party may allege or assert against any Beneficiary in respect of the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury; and (viii) any other act or thing or omission, or delay to do any other act or thing, which may or might in any manner or to any extent vary the risk of any Guarantor as an obligor in respect of the Guaranteed Obligations.

SECTION 9.05 Waivers by Guarantors. Each Guarantor hereby waives, for the benefit of Beneficiaries: (a) any right to require any Beneficiary, as a condition of payment or performance by such Guarantor, to (i) proceed against any other Loan Party or any other Person with respect to the Guaranteed Obligations, (ii) proceed against or exhaust any security held from the ~~Borrower~~ Borrowers, any such other guarantor or any other Person, (iii) proceed against or have resort to any balance of any deposit account or credit on the books of any Beneficiary in favor of any Loan Party or any other Person, or (iv) pursue any other remedy in the power of any Beneficiary whatsoever; (b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of any other Loan Party including any defense based on or arising out of the lack of validity or the unenforceability of the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of any other Loan Party from any cause other than payment in full of the Guaranteed Obligations; (c) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (d) any defense based upon any Beneficiary's errors or omissions in the administration of the Guaranteed Obligations, except behavior which amounts to bad faith; (e) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of such Guarantor's obligations hereunder, (ii) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement hereof, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that any Beneficiary protect, secure,

perfect or insure any security interest or lien or any property subject thereto; (f) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default hereunder, notices of any renewal, extension or modification of the Guaranteed Obligations or any agreement related thereto, notices of any extension of credit to any Borrower and notices of any of the matters referred to in Section 9.04 and any right to consent to any thereof; and (g) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.

SECTION 9.06 Guarantors' Rights of Subrogation, Contribution, etc. Until the Guaranteed Obligations shall have been Paid in Full, each Guarantor hereby waives any claim, right or remedy, direct or indirect, that such Guarantor now has or may hereafter have against any other Loan Party or any of its assets in connection with this Guaranty or the performance by such Guarantor of its obligations hereunder, in each case whether such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise and including (a) any right of subrogation, reimbursement or indemnification that such Guarantor now has or may hereafter have against any other Loan Party with respect to the Guaranteed Obligations, (b) any right to enforce, or to participate in, any claim, right or remedy that any Beneficiary now has or may hereafter have against any other Loan Party, and (c) any benefit of, and any right to participate in, any collateral or security now or hereafter held by any Beneficiary. In addition, until the Guaranteed Obligations shall have been Paid in Full, each Guarantor shall withhold exercise of any right of contribution such Guarantor may have against any other guarantor (including any other Guarantor) of the Guaranteed Obligations, including any such right of contribution as contemplated by Section 9.02. Each Guarantor further agrees that, to the extent the waiver or agreement to withhold the exercise of its rights of subrogation, reimbursement, indemnification and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation, reimbursement or indemnification such Guarantor may have against any other Loan Party or against any collateral or security, and any rights of contribution such Guarantor may have against any such other guarantor, shall be junior and subordinate to any rights any Beneficiary may have against any Loan Party, to all right, title and interest any Beneficiary may have in any such collateral or security, and to any right any Beneficiary may have against such other guarantor. If any amount shall be paid to any Guarantor on account of any such subrogation, reimbursement, indemnification or contribution rights at any time when all Guaranteed Obligations shall not have been finally and Paid in Full, such amount shall be held in trust for Administrative Agent on behalf of Beneficiaries and shall forthwith be paid over to Administrative Agent for the benefit of Beneficiaries to be credited and applied against the Guaranteed Obligations, whether matured or unmatured, in accordance with the terms hereof.

SECTION 9.07 Subordination of Other Obligations. Any Indebtedness of any Loan Party or any Guarantor now or hereafter held by any Guarantor is hereby subordinated in right of payment to the Guaranteed Obligations.

SECTION 9.08 Continuing Guaranty. This Guaranty is a continuing guaranty and shall remain in effect until all of the Guaranteed Obligations shall have been Paid in Full and the Commitments terminated. Each Guarantor hereby irrevocably waives any right to revoke this Guaranty as to future transactions giving rise to any Guaranteed Obligations.

SECTION 9.09 Authority of Loan Parties. It is not necessary for any Beneficiary to inquire into the capacity or powers of any Loan Party or the officers, directors or any agents acting or purporting to act on behalf of any of them.

SECTION 9.10 Financial Condition of Loan Parties. Any Credit Extension may be made to any Borrower or continued from time to time without notice to or authorization from any Guarantor regardless of the financial or other condition of any Loan Party at the time of any such grant or continuation. No Beneficiary shall have any obligation to disclose or discuss with any Guarantor its assessment, or any Guarantor's assessment, of the financial condition of any Loan Party. Each Guarantor has adequate means to obtain information from any Loan Party on a continuing basis concerning the financial condition of such Loan Party and its ability to perform its obligations under the Loan Documents and each Guarantor assumes the responsibility for being and keeping informed of the financial condition of each Loan Party and of all circumstances bearing upon the risk of non-payment of the Guaranteed Obligations. Each Guarantor hereby waives and relinquishes any duty on the part of any Beneficiary to disclose any matter, fact or thing relating to the business, operations or conditions of any Loan Party now known or hereafter known by any Beneficiary.

SECTION 9.11 Bankruptcy, etc.

(a) So long as any Guaranteed Obligations remain outstanding, no Guarantor shall, without the prior written consent of Administrative Agent acting pursuant to the instructions of Required Lenders, commence or join with any other Person in commencing any bankruptcy, reorganization or insolvency case or proceeding of or against any other Loan Party. The obligations of Guarantors hereunder shall not be reduced,

limited, impaired, discharged, deferred, suspended or terminated by any case or proceeding, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of any other Loan Party or by any defense which any other Loan Party may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding.

(b) Each Guarantor acknowledges and agrees that any interest on any portion of the Guaranteed Obligations which accrues after the commencement of any case or proceeding referred to in clause (a) above (or, if interest on any portion of the Guaranteed Obligations ceases to accrue by operation of law by reason of the commencement of such case or proceeding, such interest as would have accrued on such portion of the Guaranteed Obligations if such case or proceeding had not been commenced) shall be included in the Guaranteed Obligations because it is the intention of Guarantors and Beneficiaries that the Guaranteed Obligations which are guaranteed by Guarantors pursuant hereto should be determined without regard to any rule of law or order which may relieve any Loan Party or any of its Subsidiaries of any portion of such Guaranteed Obligations. Guarantors will permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or similar Person to pay Administrative Agent, or allow the claim of Administrative Agent in respect of, any such interest accruing after the date on which such case or proceeding is commenced.

(c) In the event that all or any portion of the Guaranteed Obligations are paid by any Loan Party or any of its Subsidiaries, the obligations of Guarantors hereunder shall continue and remain in full force and effect or be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from any Beneficiary as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Guaranteed Obligations for all purposes hereunder.

SECTION 9.12 Instrument for the Payment of Money. Each Guarantor hereby acknowledges that the Guarantee in Section 9.01 constitutes an instrument for the payment of money, and consents and agrees that the Administrative Agent, at its sole option, in the event of a dispute by such Guarantor in the payment of any moneys due hereunder, shall have the right to bring a motion/action under New York CPLR Section 3213.

SECTION 9.13 General Limitation on Guarantee Obligations. In any action or proceeding involving any provincial, territorial or state corporate law, or any state or federal bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Guarantor under Section 9.01 would otherwise, taking into account the provisions of Section 9.02, be held or determined to be void, invalid or unenforceable, or subordinated to the claims of any other creditors, on account of the amount of its liability under Section 9.01, then, notwithstanding any other provision hereof to the contrary, the amount of such liability shall, without any further action by such Guarantor, any Beneficiary or any other Person, be automatically limited and reduced to the highest amount that is valid and enforceable and not subordinated to the claims of other creditors as determined in such action or proceeding.

## ARTICLE X

### MISCELLANEOUS

#### SECTION 10.01 Notices.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile or email as follows:

(i) if to a Loan Party or to Enstar (US) Inc., to it at Windsor Place, ~~4th~~3rd Floor, 22 Queen Street, Hamilton HM11, Bermuda, Attention of Matthew Kirk (Telephone No. +1 (201) 743-7734; Email: [matthew.kirk@enstargroup.com](mailto:matthew.kirk@enstargroup.com)) with a copy to One Logan Square, Suite 2000, Philadelphia, PA 19103, Attention of Audrey Taranto (Telephone No. +1 (727) 415-7995; Email: [audrey.taranto@enstargroup.com](mailto:audrey.taranto@enstargroup.com));

(ii) if to the Administrative Agent: to National Australia Bank Limited at 245 Park Avenue, 28th Floor, New York, N.Y. 10167, Attention of Marie Healey / Judy Esposito (Telephone No. 212-916-9691 / 212-916-9622; Email: [Marie.P.Healey@nabny.com](mailto:Marie.P.Healey@nabny.com) / [NY\\_Lending\\_Administration@nabny.com](mailto:NY_Lending_Administration@nabny.com)) with copy to National Australia Bank Limited at ~~88 Wood~~The Scalpel, 52 Lime Street, London EC2V3M 7QQ, AF; Attention: ~~of~~ Lending Admin (~~Fa~~simile

~~No. +61 1300 859 382; Telephone No. 00 612 9936 4716/ Agency Services, Northern Hemisphere; Email: lendingadminlon@eu.nabgroup.com / melisha.hughes@eu.nabgroup.com);~~

(iii) if to a Lender, to it at its address (or facsimile number or email address) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications, to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail, FpML, and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or any Loan Party may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses

(i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) Change of Address, etc. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(d) Platform.

(i) The Loan Parties agree that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Lenders by posting the Communications on the Platform.

(ii) The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to any Loan Party, any Lender or any other Person or entity for damages of any kind, including direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Loan Party's or the Administrative Agent's transmission of communications through the Platform. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Loan Party pursuant to any Loan Document or the transactions contemplated therein that is distributed to the Administrative Agent or any Lender by means of electronic communications pursuant to this Section, including through the Platform.

(e) Public Information. The Loan Parties hereby acknowledges that certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Loan Parties or their Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. Each Loan Party hereby agrees that it will use commercially reasonable efforts to identify that portion of the materials

and information provided by or on behalf of that Loan Party hereunder and under the other Loan Documents (collectively, "Borrower Materials") that may be distributed to the Public Lenders and that (i) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC," which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (ii) by marking Borrower Materials "PUBLIC," such Loan Party shall be deemed to have authorized the Agents and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to such Loan Party or its securities for purposes of U.S. federal and state securities Laws (provided, however, that to the extent that such Borrower Materials constitute Information, they shall be subject to Section 10.12); (iii) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (iv) the Agents shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information". Each Public Lender will designate one or more representatives that shall be permitted to receive information that is not designated as being available for Public Lenders.

#### SECTION 10.02 Waivers; Amendments.

(a) No Waiver; Remedies Cumulative; Enforcement. No failure or delay by the Administrative Agent or any Lender in exercising any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege, or any abandonment or discontinuance of steps to enforce such a right, remedy, power or privilege, preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges of the Administrative Agent and the Lenders hereunder and under the Loan Documents are cumulative and are not exclusive of any rights, remedies, powers or privileges that any such Person would otherwise have.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against any Loan Party shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 7.01 for the benefit of all the Lenders; provided that the foregoing shall not prohibit (i) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (ii) any Lender from exercising setoff rights in accordance with Section 10.08 (subject to the terms of Section 2.15) or (iii) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to the Borrowers under any Debtor Relief Law; provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (x) the Required Lenders shall have the rights otherwise provided to the Administrative Agent pursuant to Section 7.01 and (y) in addition to the matters set forth in clauses (ii), (iii) and (iv) of the preceding proviso and subject to Section 2.15, any Lender may, with the consent of the Required Lenders, enforce any rights or remedies available to it and as authorized by the Required Lenders.

(b) Amendments, Etc. Except as otherwise expressly set forth in this Agreement, no amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by any Loan Party therefrom, shall be effective unless in writing executed by the applicable Loan Party and the Required Lenders, and acknowledged by the Administrative Agent, or by the applicable Loan Party and the Administrative Agent with the consent of the Required Lenders, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided that no such amendment, waiver or consent shall:

(i) extend or increase any Commitment of any Lender without the written consent of such Lender (it being understood that a waiver of any condition precedent set forth in Article IV or the waiver of any Default shall not constitute an extension or increase of any Commitment of any Lender);

(ii) reduce the principal of, or rate of interest specified herein on, any Loan or any fees or other amounts payable hereunder or under any other Loan Document, without the written consent of each Lender directly and adversely affected thereby (provided that only the consent of the Required Lenders shall be necessary (x) to amend the definition of "Default Rate" or to waive the obligation of any Loan Party to pay interest at the Default Rate or (y) to amend any financial covenant (or any defined term directly or indirectly used therein), even if the effect of such amendment would be to reduce the rate of interest on any Loan or other Obligation or to reduce any fee payable hereunder);

(iii) postpone any date scheduled for any payment of principal of, or interest on, any Loan or any fees or other amounts payable hereunder or under any other Loan Document, or reduce the amount of, waive or excuse any such payment, without the written consent of each Lender directly and adversely affected thereby;

(iv) change Section 2.14(b) or Section 2.15 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender directly and adversely affected thereby;

(v) waive any condition set forth in Section 4.01 without the written consent of each Lender;

(vi) change any provision of this Section or the percentage in the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender;

(vii) release any Loan Party from its guarantee obligations under Section 9 of this Agreement without the written consent of each Lender; or

(viii) change the definition of "Alternative Currency" without the written consent of each lender;

provided, further, that no such amendment, waiver or consent shall amend, modify or otherwise affect the rights or duties hereunder or under any other Loan Document of the Administrative Agent, unless in writing executed by the Administrative Agent, the Loan Parties and the Lenders required above.

Notwithstanding anything herein to the contrary, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent that by its terms requires the consent of all the Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders, except that (x) the Commitment of any Defaulting Lender may not be increased or extended, or the maturity of any of its Loan may not be extended, the rate of interest on any of its Loans may not be reduced and the principal amount of any of its Loans may not be forgiven, in each case without the consent of such Defaulting Lender and (y) any amendment, waiver or consent requiring the consent of all the Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than the other affected Lenders shall require the consent of such Defaulting Lender.

In addition, notwithstanding anything in this Section to the contrary, if the Administrative Agent and the Parent shall have jointly identified an obvious error or any error or omission of a technical nature, in each case, in any provision of the Loan Documents, then the Administrative Agent and the Parent shall be permitted to amend such provision, and, in each case, such amendment shall become effective without any further action or consent of any other party to any Loan Document if the same is not objected to in writing by the Required Lenders to the Administrative Agent within 10 Business Days following receipt of notice thereof.

#### SECTION 10.03 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Parent shall pay (i) all reasonable and documented out-of-pocket expenses incurred (whether incurred before or after the date hereof) by the Administrative Agent and its Affiliates (including the reasonable and documented fees, charges and disbursements of counsel for the Administrative Agent) in connection with syndication of the Revolving Facility, the preparation, negotiation, execution, delivery and administration of this Agreement, the Engagement Letter and the other Loan Documents, or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all out-of-pocket expenses incurred by the Administrative Agent, any Lender (including the fees, charges and disbursements of any counsel for the Administrative Agent or any Lender), and shall pay all fees and time charges for attorneys who may be employees of the Administrative Agent or any Lender, in connection with the enforcement or protection of its rights (A) in connection with this Agreement, the Engagement Letter and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) Indemnification. The Parent shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender, each Arranger and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses,

claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any Person (including any Loan Party) arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, the Engagement Letter, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by any Loan Party or any of its Subsidiaries or any Controlled Investment Entity, or any Environmental Liability related in any way to any Loan Party or any of its Subsidiaries or any Controlled Investment Entity, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Loan Party, and regardless of whether any Indemnitee is a party thereto (including preparing a defense in respect of any such claim, litigation, investigation or proceeding); provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee, or (y) result from a claim not involving an act or omission of any Loan Party and that is brought by an Indemnitee against another Indemnitee (other than against an Arranger or an Agent in their capacities as such). Paragraph (b) of this Section shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Loan Parties for any reason fail to indefeasibly pay any amount required under paragraph (a) or (b) of this Section to be paid by them to the Administrative Agent (or any sub-agent or Related Party thereof), each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent or Related Party), as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's Applicable Percentage at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender); provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent or Related Party thereof) acting for the Administrative Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders under this paragraph (c) are subject to the provisions of Section 2.14(e). The Parent shall indemnify and hold harmless each Lender in respect of any payment made by such Lender pursuant to this paragraph (c).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by Applicable Law, the Loan Parties shall not assert, and hereby waive, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in paragraph (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section shall be payable promptly and in any event not later than three Business Days after demand therefor.

(f) Survival. Each party's obligations under this Section shall survive the termination of the Loan Documents and payment of the obligations hereunder.

#### SECTION 10.04 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation in accordance with the provisions of paragraph (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (e) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in

paragraph (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Loans at the time owing to it or contemporaneous assignments to related Approved Funds (determined after giving effect to such assignments) that equal at least the amount specified in paragraph (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Parent otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan or the Commitment assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section and, in addition:

(A) the consent of the Parent (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that the Parent shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within 10 Business Days after having received notice thereof; and

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Parent or any of the Parent's Affiliates or Subsidiaries or (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute a Defaulting Lender or a Subsidiary thereof.

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person).

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon

distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Parent and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under Applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to paragraph (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 2.16, 2.17, 2.18 and 10.03 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Loan Parties, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Loan Parties, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by any Loan Party and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, any Loan Party or the Administrative Agent, sell participations to any Person (other than a natural Person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person, or the Parent or any of the Parent's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Loan Parties, the Administrative Agent and Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 10.03(b) with respect to any payments made by such Lender to its Participant(s).

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section 10.02(b)(i) through (v) that affects such Participant. The Loan Parties agree that each Participant shall be entitled to the benefits of Sections 2.16, 2.17 and 2.18 (subject to the requirements and limitations therein, including the requirements under Sections 2.18(g), 2.18(h) and 2.18(i) (it being understood that the documentation required under Sections 2.18(g), 2.18(h) and 2.18(i) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Section 2.21 as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Section 2.17 or 2.18, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable

participation. Each Lender that sells a participation agrees, at the Parent's request and expense, to use reasonable efforts to cooperate with the Parent to effectuate the provisions of Section 2.21(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.15 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Loan Parties, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any other central bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 10.05 Survival. All covenants, agreements, representations and warranties made by the Loan Parties herein and in any Loan Document or other documents delivered in connection herewith or therewith or pursuant hereto or thereto shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery hereof and thereof and the making of the Credit Extensions hereunder, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied and so long as the Commitments have not expired or been terminated. The provisions of Sections 2.16, 2.17, 10.03, 10.15 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the payment in full of the Obligations, the expiration or termination of the Commitments or the termination of this Agreement or any provision hereof.

SECTION 10.06 Counterparts; Integration; Effectiveness; Electronic Execution.

(a) Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (e.g., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 10.07 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section, if

and to the extent that the enforceability of any provision of this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, then such provision shall be deemed to be in effect only to the extent not so limited.

**SECTION 10.08 Right of Setoff.** If an Event of Default shall have occurred and be continuing, each Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held, and other obligations (in whatever currency) at any time owing, by such Lender or any such Affiliate, to or for the credit or the account of any Loan Party against any and all of the obligations of any Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or its Affiliates, irrespective of whether or not such Lender or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of any Loan Party may be contingent or unmatured or are owed to a branch office or Affiliate of such Lender different from the branch office or Affiliate holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.23 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender or its Affiliates may have. Each Lender agrees to notify the Parent and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

**SECTION 10.09 Governing Law; Jurisdiction; Etc.**

(a) Governing Law. This Agreement and the other Loan Documents and any claims, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or any other Loan Document (except, as to any other Loan Document, as expressly set forth therein) and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of New York.

(b) Jurisdiction. Each Loan Party irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender or any Related Party of the foregoing in any way relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by Applicable Law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Loan Party or its properties in the courts of any jurisdiction.

(c) Waiver of Venue. Each Loan Party irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Service of Process. Enstar (US) Inc. irrevocably consents to service of process in the manner provided for notices in Section 10.01. Each other Loan Party irrevocably appoints Enstar (US) Inc. as its agent for service of process in relation to any proceedings before any courts located in the State of New York in connection with this Agreement, agrees to maintain Enstar (US) Inc. as its agent for service of process in the State of New York until the earlier of (i) the date falling one year after the Commitment Termination Date and (ii) the date falling one year after the date on which this Agreement and any other Loan Documents are terminated in accordance with their terms, agrees that failure by any process agent to notify such Loan Party of the process will not invalidate the proceedings concerned, and consents to the service of process relating to

any proceedings by a notice given to Enstar (US) Inc. in accordance with Section 10.01. Enstar (US) Inc. hereby irrevocably accepts such appointment. If the appointment of Enstar (US) Inc. ceases to be effective with respect to any Loan Party, such Loan Party must immediately appoint a different Person in the State of New York to accept service of process on the terms set out in this paragraph (d) on its behalf in the State of New York and, if such Loan Party does not appoint a process agent within 15 days, such Loan Party authorizes the Administrative Agent to appoint a process agent for, and at the expense of such Loan Party. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by Applicable Law.

SECTION 10.10 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 10.11 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 10.12 Treatment of Certain Information; Confidentiality. Each of the Administrative Agent and the Lenders agree to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (i) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (ii) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (iii) to the extent required by Applicable Laws or by any subpoena or similar legal process; (iv) to any other party hereto; (v) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder; (vi) subject to an agreement containing provisions substantially the same as those of this Section (or as may otherwise be agreed to in writing by the Parent), to (A) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement, or (B) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to any Loan Party and its obligations, this Agreement or payments hereunder; (vii) on a confidential basis to (A) any rating agency in connection with rating any Loan Party or its Subsidiaries or the Revolving Facility, (B) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the Revolving Facility or (C) any insurer or insurance broker in connection with obtaining or obtaining a quote for credit risk insurance; (viii) with the consent of the Parent; or (x) to the extent such Information (A) becomes publicly available other than as a result of a breach of this Section, (B) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than a Loan Party who did not acquire such information as a result of a breach of this Section or (C) has been or is subsequently independently conceived or developed by the Administrative Agent, any Arranger or any Lender without reference to or reliance on non-public Information. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Agents or any Lender in connection with the administration of this Agreement, the other Loan Documents, and the Commitments. For purposes of this Section, "Information" means all information received from the Parent or any of its Subsidiaries relating to the Parent or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Parent or any of its Subsidiaries; provided that, in the case of information received from the Parent or any of its Subsidiaries after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

SECTION 10.13 PATRIOT Act. Each Lender subject to the PATRIOT Act hereby notifies the Loan Parties that, pursuant to the requirements of the PATRIOT Act, it may be required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of such

Loan Party and other information that will allow such Lender to identify such Loan Party in accordance with the PATRIOT Act.

SECTION 10.14 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts that are treated as interest on such Loan under Applicable Law (collectively, "charges"), shall exceed the maximum lawful rate (the "Maximum Rate") that may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with Applicable Law, the rate of interest payable in respect of such Loan hereunder, together with all charges payable in respect thereof, shall be limited to the Maximum Rate. To the extent lawful, the interest and charges that would have been paid in respect of such Loan but were not paid as a result of the operation of this Section shall be cumulated and the interest and charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the amount collectible at the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate for each day to the date of repayment, shall have been received by such Lender. Any amount collected by such Lender that exceeds the maximum amount collectible at the Maximum Rate shall be applied to the reduction of the principal balance of such Loan or refunded to the applicable Loan Party so that at no time shall the interest and charges paid or payable in respect of such Loan exceed the maximum amount collectible at the Maximum Rate.

SECTION 10.15 Payments Set Aside. To the extent that any payment by or on behalf of any Loan Party is made to the Administrative Agent or any Lender, or the Administrative Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Effective Rate from time to time in effect.

SECTION 10.16 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), each Loan Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) (i) no fiduciary, advisory or agency relationship between the Loan Parties and their Subsidiaries and any Arranger, any Agent or any Lender is intended to be or has been created in respect of the transactions contemplated hereby or by the other Loan Documents, irrespective of whether any Arranger, any Agent or any Lender has advised or is advising any Loan Party or any Subsidiary on other matters, (ii) the arranging and other services regarding this Agreement provided by the Arrangers, the Agents and the Lenders are arm's-length commercial transactions between any Loan Party and its Affiliates, on the one hand, and the Arrangers, the Agents and the Lenders, on the other hand, (iii) each Loan Party has consulted its own legal, accounting, regulatory and tax advisors to the extent that it has deemed appropriate and (iv) each Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; and (b) (i) the Arrangers, the Agents and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for any Loan Party or any of its Affiliates, or any other Person; (ii) none of the Arrangers, the Agents and the Lenders has any obligation to any Loan Party or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Arrangers, the Agents and the Lenders and their respective Affiliates may be engaged, for their own accounts or the accounts of customers, in a broad range of transactions that involve interests that differ from those of any Loan Party and its Affiliates, and none of the Arrangers, the Agents and the Lenders has any obligation to disclose any of such interests to any Loan Party or its Affiliates. To the fullest extent permitted by Law, each Loan Party hereby waives and releases any claims that it may have against any of the Arrangers, the Agents and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

SECTION 10.17 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

#### SECTION 10.18 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the ~~Borrower~~Borrowers or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans in connection with the Loans or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the ~~Borrower~~Borrowers or any other Loan Party, that none of the Administrative Agent, or any Arranger or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto).

[Remainder of page intentionally left blank]

Form of Assignment and Assumption

[Attached]

## [FORM OF ASSIGNMENT AND ASSUMPTION]

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between the Assignor identified in item 1 below (the "Assignor") and the Assignee identified in item 2 below (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the facility identified below (including any guarantees included in such facility), and (ii) to the extent permitted to be assigned under Applicable Law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by the Assignor to the Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Each such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: \_\_\_\_\_

2. Assignee: \_\_\_\_\_

**[Assignee is an [Affiliate][Approved Fund] of [identify Lender]**

3. Borrowers: Enstar Group Limited, an exempted company limited by shares and incorporated in Bermuda, Kenmare Holdings Ltd., an exempted company limited by shares and incorporated in Bermuda, Enstar (US Asia-Pac) Holdings Limited, a limited liability company incorporated in England and Wales, and Enstar Holdings (US) LLC, a limited liability company formed in the State of Delaware
4. Administrative Agent: National Australia Bank Limited, as the Administrative Agent under the Credit Agreement
5. Credit Agreement: The \$600,000,000 Revolving Credit Agreement dated as of August 16, 2018 among the Borrowers identified in item 3 above, the Guarantors parties thereto, the Lenders parties thereto, and National Australia Bank Limited as Administrative Agent.
6. Assigned Interest:

Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/Loans
\$	\$	%
\$	\$	%
\$	\$	%

Effective Date: \_\_, 20\_\_ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: \_\_ Name:  
Title:

ASSIGNEE

[NAME OF ASSIGNEE]

By: \_\_ Name:  
Title:

Consented to and Accepted:

NATIONAL AUSTRALIA BANK LIMITED,  
as Administrative Agent

By: \_\_ Name:  
Title:

[Consented to:<sup>1</sup>

ENSTAR GROUP LIMITED

By: \_\_ Name:  
Title:]

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<sup>1</sup> To be added only if the consent of the Parent is required by the terms of the Credit Agreement.

## STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. the Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is not a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents, (iii) the financial condition of the Borrowers, any of their Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document, or (iv) the performance or observance by the Borrowers, any of their Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee.<sup>2</sup> the Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under Section 10.04 of the Credit Agreement (subject to such consents, if any, as may be required thereunder), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 5.01 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, and (vii) if it is a Foreign Lender attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts that have accrued to but excluding the Effective Date and to the Assignee for amounts that have accrued from and after the Effective Date. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to the Assignee.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

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<sup>2</sup> UK Tax Confirmation to be included if the Assignee comes within (a)(ii) of the definition of "UK Qualifying Lender".

Form of U.S. Tax Compliance Certificate

[Attached]

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE  
(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of August 16, 2018 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Enstar Group Limited as parent, borrower and guarantor, each of Kenmare Holdings Limited, Enstar (US Asia- Pac) Holdings Limited and Enstar Holdings (US) LLC as a borrower and a guarantor, National Australia Bank Limited as administrative agent, and each lender from time to time party thereto.

Pursuant to the provisions of Section 2.18 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "ten percent shareholder" of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a "controlled foreign corporation" related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrowers with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform the Borrowers and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: \_\_ Name:  
Title:

Date: \_\_, 20[ ]

Form of U.S. Tax Compliance Certificate

[Attached]

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE  
(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of August 16, 2018 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Enstar Group Limited as parent, borrower and guarantor, each of Kenmare Holdings Limited, Enstar (US Asia- Pac) Holdings Limited and Enstar Holdings (US) LLC as a borrower and a guarantor, National Australia Bank Limited as administrative agent, and each lender from time to time party thereto.

Pursuant to the provisions of Section 2.18 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "ten percent shareholder" of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a "controlled foreign corporation" related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: \_\_\_ Name:  
Title:

Date: \_\_, 20[ ]

Form of U.S. Tax Compliance Certificate

[Attached]

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE  
(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of August 16, 2018 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Enstar Group Limited as parent, borrower and guarantor, each of Kenmare Holdings Limited, Enstar (US Asia- Pac) Holdings Limited and Enstar Holdings (US) LLC as a borrower and a guarantor, National Australia Bank Limited as administrative agent, and each lender from time to time party thereto.

Pursuant to the provisions of Section 2.18 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a "bank" extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a "ten percent shareholder" of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a "controlled foreign corporation" related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W- 8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: \_\_ Name:  
Title:

Date: \_\_, 20[ ]

Form of U.S. Tax Compliance Certificate

[Attached]

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE  
(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of August 16, 2018 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Enstar Group Limited as parent, borrower and guarantor, each of Kenmare Holdings Limited, Enstar (US Asia- Pac) Holdings Limited and Enstar Holdings (US) LLC as a borrower and a guarantor, National Australia Bank Limited as administrative agent, and each lender from time to time party thereto.

Pursuant to the provisions of Section 2.18 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to this Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a "bank" extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a "ten percent shareholder" of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a "controlled foreign corporation" related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrowers with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform the Borrowers and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: \_\_ Name:  
Title:

Date: \_\_, 20[ ]

**CERTIFICATION PURSUANT TO  
RULE 13a-14(a)/15d-14(a),  
AS ADOPTED PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Dominic F. Silvester, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Enstar Group Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 5, 2022

/S/ DOMINIC F. SILVESTER  
Dominic F. Silvester  
Chief Executive Officer

**CERTIFICATION PURSUANT TO  
RULE 13a-14(a)/15d-14(a),  
AS ADOPTED PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Orla Gregory, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Enstar Group Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 5, 2022

/S/ ORLA GREGORY

Orla Gregory

Acting Chief Financial Officer,  
Chief Operating Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Enstar Group Limited (the "Company") on Form 10-Q for the quarterly period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Dominic F. Silvester, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 5, 2022

/S/ DOMINIC F. SILVESTER

Dominic F. Silvester  
Chief Executive Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Enstar Group Limited (the "Company") on Form 10-Q for the quarterly period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Orla Gregory, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 5, 2022

/S/ ORLA GREGORY

Orla Gregory

Acting Chief Financial Officer,  
Chief Operating Officer