

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): June 11, 2019

**Enstar Group Limited**

(Exact name of registrant as specified in its charter)

**Bermuda**  
(State or other jurisdiction  
of incorporation)

**001-33289**  
(Commission  
File Number)

**N/A**  
(IRS Employer  
Identification No.)

**P.O. Box HM 2267, Windsor Place, 3<sup>rd</sup> Floor**  
**22 Queen Street, Hamilton HM JX Bermuda**  
(Address of principal executive offices)

**N/A**  
(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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% Fixed-to-Floating Rate Perpetual Non-Cumulative Preferred Share, Series D, Par Value \$1.00 Per Share	ESGRP	The NASDAQ Stock Market LLC
Depository Shares, Each Representing a 1/1,000th Interest in a 7.00% Perpetual Non-Cumulative Preferred Share, Series E, Par Value \$1.00 Per Share	ESGRO	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On June 11, 2019, Enstar Group Limited (the "Company") appointed Myron Hendry to its Board of Directors as a Class II director, effective July 1, 2019. Mr. Hendry's appointment was recommended to the Board of Directors by our Nominating and Governance Committee, which is comprised entirely of independent directors.

Mr. Hendry, age 70, most recently served as Executive Vice President and Chief Platform Officer of XL Catlin from 2009 to 2018. He also served as Director on the XL India Business Services Private Limited Board. And he was the Chairman of the XL Catlin Corporate Crisis Committee responsible for Disaster Recovery and Business Continuity.

The Board of Directors has determined that Mr. Hendry is independent as defined by Nasdaq Marketplace Rule 5605(a)(2). He will serve on the Nominating and Governance Committee and the Risk Committee.

As a non-employee director, Mr. Hendry will be eligible to participate in the Company's Deferred Compensation and Ordinary Share Plan for Non-Employee Directors, which is described in our Proxy Statement (filed with the U.S. Securities and Exchange Commission on April 26, 2019) under the heading, "Director Compensation – Deferred Compensation Plan."

Mr. Hendry is expected to enter into an indemnification agreement with the Company on the same terms as the indemnification agreements executed with each of the Company's other current directors. These terms are described in the Proxy Statement under the heading, "Certain Relationships and Related Transactions—Indemnification of Directors and Officers; Directors Indemnity Agreements."

**Item 5.07. Submission of Matters to a Vote of Security Holders.**

(a) As noted above, the Company held its Annual Meeting on June 11, 2019.

(b) At the Annual Meeting, the shareholders voted on the following five proposals and cast their votes as described below.

1. Proposal No. 1: Election of Class I Directors. The individuals listed below were elected to serve a term expiring at the annual general meeting of shareholders in 2019. There were a total of 1,276,142 broker non-votes with respect to each nominee.

<b>Director</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
Robert J. Campbell	14,053,067	251,798	2,358
Jie Liu	13,755,550	527,068	24,605
Paul J. O'Shea	13,793,223	510,742	3,258

2. Proposal No. 2: Advisory vote to approve executive compensation. This proposal was approved. There were a total of 1,276,142 broker non-votes on this proposal.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
12,190,050	2,111,219	5,954

3. Proposal No. 3: Ratification of the selection of KPMG Audit Limited to act as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019 and authorization of the Board of Directors, acting through the Audit Committee, to approve the fees for the independent registered public accounting firm. This proposal was approved. There were no broker non-votes on this proposal.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
15,527,479	34,864	21,022

4. Proposal No. 4: Vote to approve the amendment of our Bye-Laws to remove the voting cutback. There were a total of 1,276,142 broker non-votes on this proposal.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
14,281,166	12,396	13,661

5. Proposal No. 5: Vote to approve the amendment of our Bye-Laws to remove to remove subsidiary voting. There were a total of 1,276,142 broker non-votes on this proposal.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
14,283,373	9,353	14,497

6. Proposal No. 6: Vote to approve the amendment of our Bye-Laws for general updates. There were a total of 1,276,142 broker non-votes on this proposal.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
14,283,245	9,600	14,378

7. Proposal No. 7: Election of subsidiary directors identified in Proposal No. 7 of the Company's Proxy Statement. All of the individual subsidiary director nominees listed below received the same total number of votes; these vote totals are provided in the table that follows. The Company's Board of Directors will cause its corporate representative or proxy to vote the shares it holds in its subsidiaries in the same proportion as the votes received at this Annual Meeting. There were a total of 1,276,142 broker non-votes on this proposal.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
14,267,194	9,321	30,708

Subsidiary Director Nominees

**7.1 AG Australia Holdings Limited**

**Nominees:**

Brett Henry  
Sandra O'Sullivan  
Elaine Shukri-Goodman

**7.2 Alopuc Limited**

**Nominees:**

Richard Harries  
James Lee  
Brendan Merriman

**7.3 Alpha Insurance SA**

**Nominees:**

David Atkins  
Gregg Delforge  
David Matthys  
Brendan Merriman  
Marie-Claire Pletinckx  
Kim Torbeyns  
Darren S. Truman  
Serge Wibaut

**7.4 Arden Reinsurance Company Ltd.**

**Nominees:**

Fabian Bishop  
Elizabeth DaSilva  
Daniel Lovett  
John Thompson  
Theo Wilkes

**7.5 Arena SA**

**Nominees:**

Eddy van den Bosch  
Kim Torbeyns  
Gregg Delforge

**7.6 Atrium Risk Management Services (British Columbia) Ltd.**

**Nominees:**

Lee Greenway  
Peter Hargrave  
Richard Harries  
James Lee

**7.7 Atrium Risk Management Services (Washington) Ltd.**

**Nominees:**

Lee Greenway  
Peter Hargrave  
Richard Harries  
James Lee

**7.8 Belmont Run-Off Limited**

**Nominees:**

David Atkins  
Brendan Merriman  
Derek Reid

**7.9 Brake Systems, Inc.**

**Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

**7.10 BWDAC, Inc.**

**Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

**7.11 Cavell Holdings Limited**

**Nominees:**

Siobhan Hextall  
Brendan Merriman  
Derek Reid

**7.12 Chatsworth Limited**

**Nominees:**

Jonathan Bell  
Elizabeth DaSilva  
Duncan Scott

**7.13 Clarendon National Insurance Company**

**Nominees:**

Paul Brockman  
John A. Dore  
Anna Hajek  
Jennifer Miu  
Teresa Reali  
Robert Redpath  
Michael Sheehan  
Richard Seelinger

**7.14 Copper Coast Funds ICAV**

**Nominees:**

Orla Gregory  
Siobhan Hextall  
Barry McConville  
Brendan Merriman  
Patrick O'Sullivan

**7.15 CP Product, LLC**

**Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

#### **7.16 Cranmore (UK) Limited**

##### **Nominees:**

Desmond Allen  
David Atkins  
David Ellis  
Adam Grange  
Shaun Holden  
Brendan Merriman  
Steven Norrington  
S. Guy Olofson  
Paul Watkin

#### **7.17 Cranmore (US) Inc.**

##### **Nominees:**

Paul Brockman  
Steven Norrington  
Chase Young

#### **7.18 Cranmore Asia Pte Limited**

##### **Nominees:**

Garred Clements  
Steven Norrington  
Sandra O'Sullivan

#### **7.19 Cranmore Australia Pty Limited**

##### **Nominees:**

Steven Norrington  
Sandra O'Sullivan  
Elaine Shukri-Goodman

#### **7.20 Cranmore Europe BVBA**

##### **Nominees:**

Phillip Cooper  
Gregg Delforge  
Simon Storvik-Green  
Steven Norrington  
Jason Shortt  
Kim Torbeyns

#### **7.21 Cranmore Insurance & Reinsurance Services Europe Limited**

##### **Nominees:**

David Ellis  
Steven Norrington  
Jason Shortt

#### **7.22 DCo LLC**

##### **Nominees:**

Paul Brockman  
Jennifer Miu  
Thomas Nichols  
Robert Redpath  
Joseph A. Stancati

Vicki L. Stringham

#### **7.23 DLCM NO. 1 Limited**

##### **Nominees:**

Siobhan Hextall  
Brendan Merriman  
Derek Reid

#### **7.24 DLCM NO. 2 Limited**

##### **Nominees:**

Siobhan Hextall  
Brendan Merriman  
Derek Reid

#### **7.25 DLCM NO. 3 Limited**

##### **Nominees:**

Siobhan Hextall  
Brendan Merriman  
Derek Reid

#### **7.26 East Point Reinsurance Company of Hong Kong Limited**

##### **Nominees:**

Sandra O'Sullivan  
Siobhan Hextall

#### **7.27 EFMG LLC**

##### **Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

#### **7.28 Enstar (EU) Finance Limited**

##### **Nominees:**

Siobhan Hextall  
Shaun Holden  
Brendan Merriman  
Derek Reid

#### **7.29 Enstar (EU) Holdings Limited**

##### **Nominees:**

David Grisley  
Shaun Holden  
Brendan Merriman

#### **7.30 Enstar (EU) Limited**

##### **Nominees:**

David Atkins  
David Hackett  
Shaun Holden  
Michael Lynagh  
Brendan Merriman  
David Message  
Derek Reid  
Darren S. Truman

**7.31 Enstar (US Asia-Pac) Holdings Limited**

**Nominees:**

Siobhan Hextall  
Brendan Merriman  
Derek Reid

**7.32 Enstar (US) Inc.**

**Nominees:**

Paul Brockman  
Jennifer Miu  
Steven Norrington  
Robert Redpath  
Richard Seelinger  
R. Lincoln Trimble Jr.

**7.33 Enstar Acquisitions Limited**

**Nominees:**

Siobhan Hextall  
Brendan Merriman  
Derek Reid

**7.34 Enstar Asia Pacific Pty Ltd**

**Nominees:**

Brett Henry  
Sandra O'Sullivan  
Elaine Shukri-Goodman

**7.35 Enstar Australia Holdings Pty Limited**

**Nominees:**

David Atkins  
Bruce Bollom  
Robin Low  
Brendan Merriman  
Gary Potts

**7.36 Enstar Australia Limited**

**Nominees:**

Brett Henry  
Sandra O'Sullivan  
Elaine Shukri-Goodman

**7.37 Enstar Financial Services, Inc.**

**Nominees:**

Paul Brockman  
Jennifer Miu

**7.38 Enstar Holdings (US) LLC**

**Nominees:**

Paul Brockman  
Jennifer Miu  
Steven Norrington  
Robert Redpath  
Richard Seelinger

R. Lincoln Trimble Jr.

**7.39 Enstar Insurance Management Services Ireland Limited**

**Nominees:**

Sinead Coffey  
Orla Gregory  
Siobhan Hextall  
Brendan Merriman

**7.40 Enstar Limited**

**Nominees:**

Guy Bowker  
Elizabeth DaSilva  
Karen Esdale  
Orla Gregory  
Paul O'Shea  
Jamie Saunders  
Duncan Scott

**7.41 Enstar Malta Limited**

**Nominees:**

David Atkins  
Siobhan Hextall  
Brendan Merriman  
Darren S. Truman

**7.42 Enstar USA, Inc.**

**Nominees:**

Paul Brockman  
Jennifer Miu

**7.43 EPE, Inc.**

**Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

**7.44 Fitzwilliam Insurance Limited**

**Nominees:**

Guy Bowker  
Karen Esdale  
Orla Gregory  
Robin Mehta  
Duncan Scott

**7.45 Flight Operations, Inc.**

**Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

**7.46 Friction Inc.**

**Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

**7.47 Friction Materials, Inc.****Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

**7.48 Global Legal Acquisition L.P.****Nominees:**

Jonathan Bell  
Elizabeth DaSilva  
Duncan Scott

**7.49 Gordian Runoff Limited****Nominees:**

David Atkins  
Bruce Bollom  
Robin Low  
Brendan Merriman  
Gary Potts

**7.50 Goshawk Dedicated Limited****Nominees:**

Siobhan Hextall  
Brendan Merriman  
Derek Reid

**7.51 Goshawk Insurance Holdings Limited****Nominees:**

Siobhan Hextall  
Brendan Merriman  
Derek Reid

**7.52 Guillamene Holdings Limited****Nominees:**

Brendan Merriman

**7.53 Harper Holding, Sà r.l.****Nominees:**

John Cassin

**7.54 Harper Insurance Limited****Nominees:**

Guy Bowker  
Karen Esdale  
Orla Gregory  
Paul O'Shea  
Duncan Scott

**7.55 Hong Kong Reinsurance Company Limited****Nominees:**

Siobhan Hextall  
Sandra O'Sullivan

**7.56 Inter-Ocean Reinsurance (Ireland) Limited****Nominees:**

Orla Gregory  
Kevin O'Connor

**7.57 KaylaRe Holdings Ltd.****Nominees:**

Paul Bohus  
Guy Bowker  
Orla Gregory  
Duncan Scott

**7.58 KaylaRe Ltd.****Nominees:**

Paul Bohus  
Elizabeth DaSilva  
Daniel Lovett  
John Thompson  
Theo Wilkes

**7.59 Kenmare Holdings Ltd.****Nominees:**

Guy Bowker  
Karen Esdale  
Orla Gregory  
Duncan Scott

**7.60 Kinsale Brokers Limited****Nominees:**

David Atkins  
Shaun Holden  
Brendan Merriman

**7.61 Laguna Life Holdings S.à r.l.****Nominees:**

Guy Bowker  
John Cassin

**7.62 Lipe Corporation****Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

**7.63 Maiden Reinsurance North America, Inc.****Nominees:**

Paul Brockman  
Louis Dimopoulos  
Sharon Fletcher  
Jennifer Miu  
Steven Norrington  
Teresa Realì  
Robert Redpath  
Richard Seelinger  
Michael Sheehan

**7.64 Mercantile Indemnity Company Limited****Nominees:**

David Atkins  
Christopher Forbes  
Brendan Merriman  
Karl Murphy  
Jeremy Riley  
Darren S. Truman  
Steven Western

**7.65 Midland Brake, Inc.****Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

**7.66 North Bay Holdings Limited****Nominees:**

Darran Baird  
Guy Bowker  
James Carey  
Orla Gregory  
Paul O'Shea

**7.67 Northshore Holdings Limited****Nominees:**

Darran Baird  
Guy Bowker  
James Carey  
Orla Gregory  
Paul O'Shea

**7.68 Paladin Managed Care Services, Inc.****Nominees:**

Paul Brockman  
Jeffrey D. Miller  
Steven Norrington  
Richard Seelinger

**7.69 Pavonia Life Insurance Company of New York****Nominees:**

Paul Brockman  
John A. Dore  
Ann Lagomarsino  
Jennifer Miu  
Daniel O'Brien  
Robert Redpath  
Richard Seelinger  
Philip Toohey

**7.70 Prattville Mfg., Inc.****Nominees:**

Joseph A. Stancati

Vicki L. Stringham

**7.71 Providence Washington Insurance Company****Nominees:**

Paul Brockman  
Jennifer Miu  
Teresa Reali  
Robert Redpath  
Richard Seelinger

**7.72 Regis Agencies Limited****Nominees:**

Siobhan Hextall  
Brendan Merriman

**7.73 Reinz Wisconsin Gasket LLC****Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

**7.74 River Thames Insurance Company Limited****Nominees:**

David Atkins  
Christopher Forbes  
Brendan Merriman  
Karl Murphy  
Jeremy Riley  
Ann Slade  
Darren S. Truman

**7.75 Rombalds Run-Off Limited****Nominees:**

David Atkins  
Gary Griffiths  
Max Lewis  
Brendan Merriman  
Steven Western

**7.76 SGL No.1 Limited****Nominees:**

James Lee  
Brendan Merriman

**7.77 SGL No.3 Limited****Nominees:**

Siobhan Hextall  
Brendan Merriman

**7.78 Shelbourne Group Limited****Nominees:**

Siobhan Hextall  
Brendan Merriman  
Darren S. Truman

**7.79 StarStone Bermuda Intermediaries Ltd.**

**Nominees:**

Jonathan Bell  
Steven Brown  
Duncan Scott

**7.80 StarStone Corporate Capital 1 Limited**

**Nominees:**

Alexandra Cliff  
Rachel Delhaise

**7.81 StarStone Corporate Capital 2 Limited**

**Nominees:**

Alexandra Cliff  
Clare Traxler

**7.82 StarStone Corporate Capital Limited**

**Nominees:**

Alexandra Cliff

**7.83 StarStone Finance Limited**

**Nominees:**

Alexandra Cliff  
David Message

**7.84 StarStone Insurance Bermuda Limited**

**Nominees:**

Guy Bowker  
Karen Esdale  
Orla Gregory  
Walker Rainey  
Duncan Scott

**7.85 StarStone Insurance SE**

**Nominees:**

Michael Handler  
Donat Marxer  
Ian Poynton

**7.86 StarStone Insurance Services Limited**

**Nominees:**

Samantha Gabbidon  
Udo Pickartz  
Simon Schnorr  
Benjamin Wilson

**7.87 StarStone National Insurance Company**

**Nominees:**

Paul Brockman  
Nancy Hammer  
Jennifer Miu  
Robert Redpath  
Richard Seelinger

Mark Sioma  
R. Lincoln Trimble Jr.

**7.88 StarStone Specialty Holdings Limited**

**Nominees:**

Darran Baird  
Guy Bowker  
James Carey  
Alexandra Cliff  
Orla Gregory  
John Henderickson  
David Message  
Paul O'Shea  
Walker Rainey  
Chris Rash  
John Shettle  
R. Lincoln Trimble Jr.

**7.89 StarStone Specialty Insurance Company**

**Nominees:**

Paul Brockman  
Nancy Hammer  
Jennifer Miu  
Robert Redpath  
Richard Seelinger  
Mark Sioma  
R. Lincoln Trimble Jr.

**7.90 StarStone Specialty Insurance Company - Escritório de Representação no Brasil Ltda.**

**Nominees:**

Oscar Lolato

**7.91 StarStone Underwriting Australia Pty Ltd**

**Nominees:**

Robin Barham  
Sandra O'Sullivan  
Udo Pickartz

**7.92 StarStone Underwriting Limited**

**Nominees:**

Andrew Agnew  
Colm Barrett  
Alexandra Cliff  
Rachel Delhaise  
Ewen Gilmour  
George Maina  
Darren S. Truman  
Simon Urry  
John Wardrop

**7.93 StarStone Underwriting Services B.V.**

**Nominees:**

Caroline Barendregt

Rachel Delhaise  
Samantha Gabbidon  
Udo Pickartz  
Jaap Gispen

**7.94 StarStone US Holdings, Inc.**

**Nominees:**

Nancy Hammer  
Steven Norrington  
Mark Sioma  
R. Lincoln Trimble Jr.

**7.95 StarStone US Intermediaries, Inc.**

**Nominees:**

Nancy Hammer  
Steven Norrington  
Mark Sioma  
R. Lincoln Trimble Jr.

**7.96 StarStone US Services, Inc.**

**Nominees:**

Nancy Hammer  
Steven Norrington  
R. Lincoln Trimble Jr.

**7.97 Torus Business Solutions Private Ltd.**

**Nominees:**

Gaurav Kapoor  
Mark Kern  
Theo Wilkes

**7.98 United Brake Systems Inc.**

**Nominees:**

Joseph A. Stancati  
Vicki L. Stringham

**7.99 Vander Haeghen & Co SA**

**Nominees:**

Gregg Delforge  
Kim Torbeyns

**7.100 Yosemite Insurance Company**

**Nominees:**

Paul Brockman  
Jennifer Miu  
Teresa Reali  
Robert Redpath  
Richard Seelinger

**Item 9.01. Financial Statements and Exhibits**

Exhibits

<b>Exhibit No.</b>	<b>Description</b>
<a href="#"><u>3.1</u></a>	Fifth Amended and Restated Bye-Laws of Enstar Group Limited

## 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 hereunto duly authorized.

ENSTAR GROUP LIMITED

Date: June 13, 2019

By: /s/ Guy Bowker

Guy Bowker

Chief Financial Officer

**FIFTH AMENDED AND RESTATED  
BYE-LAWS OF  
ENSTAR GROUP LIMITED**

1.	Definitions	<a href="#">1</a>
2.	Power to Issue Shares	<a href="#">3</a>
3.	Power of the Company to Purchase its Shares	<a href="#">3</a>
4.	Rights Attaching to Shares	<a href="#">3</a>
5.	Calls on Shares	<a href="#">8</a>
6.	Prohibition on Financial Assistance	<a href="#">9</a>
7.	Forfeiture of Shares	<a href="#">9</a>
8.	Share Certificates	<a href="#">10</a>
9.	Fractional Shares	<a href="#">10</a>
10.	Register of Members	<a href="#">10</a>
11.	Registered Holder Absolute Owner	<a href="#">10</a>
12.	Transfer of Registered Shares	<a href="#">11</a>
13.	Transmission of Registered Shares	<a href="#">12</a>
14.	Power to Alter Capital	<a href="#">13</a>
15.	Variation of Rights Attaching to Shares	<a href="#">14</a>
16.	Dividends	<a href="#">14</a>
17.	Power to Set Aside Profits	<a href="#">14</a>
18.	Method of Payment	<a href="#">15</a>
19.	Capitalisation	<a href="#">15</a>
20.	Annual General Meetings	<a href="#">16</a>
21.	Special General Meetings	<a href="#">16</a>
22.	Requisitioned General Meetings	<a href="#">16</a>
23.	Notice	<a href="#">16</a>
24.	Giving Notice	<a href="#">16</a>
25.	Postponement or Cancellation of General Meeting	<a href="#">17</a>
26.	Attendance and Security at General Meetings	<a href="#">17</a>
27.	Quorum at General Meetings	<a href="#">18</a>
28.	Chairman to Preside	<a href="#">18</a>
29.	Voting on Resolutions	<a href="#">18</a>
30.	Power to Demand a Vote on a Poll	<a href="#">19</a>
31.	Voting by Joint Holders of Shares	<a href="#">20</a>
32.	Instrument of Proxy	<a href="#">20</a>
33.	Representation of Corporate Member	<a href="#">20</a>
34.	Adjournment of General Meeting	<a href="#">21</a>
35.	Written Resolutions	<a href="#">21</a>
36.	Directors Attendance at General Meetings	<a href="#">22</a>
37.	Election of Directors	<a href="#">22</a>
38.	Classes of Directors	<a href="#">22</a>
39.	Term of Office of Directors	<a href="#">22</a>
40.	Alternate Directors	<a href="#">23</a>
41.	Removal of Directors	<a href="#">23</a>
42.	Vacancy in the Office of Director	<a href="#">23</a>
43.	Remuneration of Directors	<a href="#">24</a>

44. Defect in Appointment of Director	<a href="#">24</a>
45. Directors to Manage Business	<a href="#">24</a>
46. Powers of the Board of Directors	<a href="#">24</a>
47. Register of Directors and Officers	<a href="#">25</a>
48. [Intentionally Omitted]	<a href="#">25</a>
49. Appointment of Officers	<a href="#">25</a>
50. Duties of Officers	<a href="#">25</a>
51. Remuneration of Officers	<a href="#">25</a>
52. Conflicts of Interest	<a href="#">26</a>
53. Indemnification and Exculpation of Directors and Officers	<a href="#">26</a>
54. Board Meetings	<a href="#">27</a>
55. Notice of Board Meetings	<a href="#">27</a>
56. Participation in Meetings by Telephone	<a href="#">27</a>
57. Quorum at Board Meetings	<a href="#">27</a>
58. Board to Continue in the Event of Vacancy	<a href="#">27</a>
59. Chairman to Preside	<a href="#">28</a>
60. Written Resolutions	<a href="#">28</a>
61. Validity of Prior Acts of the Board	<a href="#">28</a>
62. Minutes	<a href="#">28</a>
63. Place Where Corporate Records Kept	<a href="#">28</a>
64. Form and Use of Seal	<a href="#">28</a>
65. Books of Account	<a href="#">29</a>
66. Financial Year End	<a href="#">29</a>
67. Annual Audit	<a href="#">29</a>
68. Appointment of Auditors	<a href="#">29</a>
69. Remuneration of Auditors	<a href="#">29</a>
70. Duties of Auditors	<a href="#">29</a>
71. Access to Records	<a href="#">30</a>
72. Financial Statements	<a href="#">30</a>
73. Distribution of Auditors Report	<a href="#">30</a>
74. Vacancy in the Office of Auditor	<a href="#">30</a>
75. Winding-Up	<a href="#">30</a>
76. Changes to Bye-laws	<a href="#">30</a>
77. Discontinuance	<a href="#">31</a>

## INTERPRETATION

### 1. Definitions

1.1 In these Bye-laws, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

Act	the Companies Act 1981 as amended from time to time;
Affiliate or affiliate of any specified Member	any other person directly or indirectly controlling or controlled by or under common control with such specified Member. For the purposes of this definition, "control" when used with respect to any specified Member means the power to direct or cause the direction of the management and/or policies of such Member, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.
Auditor	includes an individual or partnership;
Board	the board of directors appointed or elected pursuant to these Bye-laws and acting by resolution in accordance with the Act and these Bye-laws or the directors present at a meeting of directors at which there is a quorum;
Company	the company for which these Bye-laws are approved and confirmed;
Director	a director of the Company;
Group	the Company and every company and other entity which is for the time being controlled by or under common control with the Company (for these purposes, "control" means the power to direct management or policies of the person in question, whether by means of an ownership interest or otherwise);
Member	the person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;
notice	written notice as further provided in these Bye-laws unless otherwise specifically stated;

Officer	any person appointed by the Board to hold an office in the Company;
Register of Directors and Officers	the register of directors and officers referred to in these Bye-laws;
Register of Members	the register of members referred to in these Bye-laws;
Reorganization Event	<p>(i) any consolidation, merger, tender or exchange offer, amalgamation or other similar business combination of the Company with or into another person, in each case pursuant to which the Common Shares or Non-Voting Convertible Common Shares will be converted into cash, securities or other property of the Company or another person;</p> <p>(ii) any sale, transfer, lease or conveyance to another person of all or substantially all of the property and assets of the Company, in each case pursuant to which the Common Shares or Non-Voting Convertible Common Shares will be converted into cash, securities or other property of the Company or another person;</p> <p>(iii) any reclassification of the Common Shares or Non-Voting Convertible Common Shares into securities including securities other than the Common Shares or Non-Voting Convertible Common Shares, as applicable; or</p> <p>(iv) any statutory exchange of the outstanding Common Shares or Non-Voting Convertible Common Shares for securities of another person (other than in connection with a merger or acquisition);</p>
Resident Representative	any person appointed to act as resident representative and includes any deputy or assistant resident representative; and
Secretary	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary.

**1.2** In these Bye-laws, where not inconsistent with the context:

- (a) words denoting the plural number include the singular number and vice versa;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
- (d) the words:

- (i) "may" shall be construed as permissive; and
  - (ii) "shall" shall be construed as imperative; and
  - (e) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in these Bye-laws.
- 1.3** In these Bye-laws expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.
- 1.4** Headings used in these Bye-laws are for convenience only and are not to be used or relied upon in the construction hereof.

## **SHARES**

### **2. Power to Issue Shares**

- 2.1** Subject to these Bye-laws and to any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine.
- 2.2** Without limitation to the provisions of Bye-law 4, subject to the provisions of the Act, any preference shares may be issued or converted into shares that (at a determinable date or at the option of the Company or the holder) are liable to be redeemed on such terms and in such manner as may be determined by the Board (before the issue or conversion).

### **3. Power of the Company to Purchase its Shares.**

The Company may purchase its own shares in accordance with the provisions of the Act on such terms as the Board shall think fit. The Board may exercise all the powers of the Company to purchase all or any part of its own shares in accordance with the Act.

### **4. Rights Attaching to Shares**

- 4.1** At the date this Bye-law 4.1 is adopted, the share capital of the Company shall be divided into three classes: (i) 90,000,000 ordinary shares of par value US\$1.00 each (the "Common Shares"), (ii) 21,000,000 non-voting convertible ordinary shares of par value US\$1.00 each (the "Non-Voting Convertible Common Shares") and (iii) 45,000,000 preference shares of par value US\$1.00 each (the "Preference Shares").
- 4.2** The holders of Common Shares shall, subject to the provisions of these Bye-laws (including, without limitation, the rights attaching to Preference Shares):
- (a) be entitled to one vote per share;
  - (b) be entitled to such dividends as the Board may from time to time declare on a pari passu basis with the Non-Voting Convertible Common Shares;
  - (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company on a pari passu basis with the Non-Voting Convertible Common Shares; and

- (d) generally be entitled to enjoy all of the rights attaching to shares.
- 4.3**
- (a) The Non-Voting Convertible Common Shares shall be divided into the following series: (i) Series C Non-Voting Common Shares, (ii) Series D Non-Voting Common Shares and (iii) Series E Non-Voting Common Shares, each with the respective rights hereinafter specified. Series C Non-Voting Common Shares shall consist solely of such shares outstanding as of [DATE]. Series D Non-Voting Common Shares may only be issued upon conversion of Series C Non-Voting Common Shares in accordance with Bye-law 4.3(e). All other Non-Voting Convertible Common Shares are Series E Non-Voting Common Shares.
  - (b) The holders of Non-Voting Convertible Common Shares shall, subject to the provisions of these Bye-laws (including, without limitation, the rights attaching to Preference Shares):
    - (i) be entitled to such dividends as the Board may from time to time declare on a pari passu basis with the Common Shares;
    - (ii) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company on a pari passu basis with the Common Shares; and
    - (iii) generally be entitled to enjoy all of the rights attaching to Common Shares, but shall be non-voting, except (1) as required by law, (2) in accordance with Bye-law 15 or (3) for the limited voting rights specified in Bye-law 4.3(c).
  - (c) The holders of the Series C Non-Voting Common Shares, voting as a separate class, shall be entitled to vote such shares, but only with respect to the following limited matters, which shall constitute a variation of class rights for the purposes of Bye-law 15:
    - (i) any amendment, alteration or repeal of any provision of the Company's memorandum of association or these Bye-laws (including any amendment, alteration or repeal by means of a merger, amalgamation, consolidation or otherwise) so as to significantly and adversely affect the rights, preferences, privileges or limited voting rights of the Series C Non-Voting Common Shares;
    - (ii) any consummation of a binding share exchange or reclassification involving the Series C Non-Voting Common Shares or of a merger, consolidation or amalgamation of the Company with another corporation or other entity (except for any such merger, consolidation or amalgamation in which the consideration paid to shareholders is entirely in cash), unless in each case (x) the Series C Non-Voting Common Shares, remain outstanding or, in the case of any such merger or consolidation with respect to which the Company is not the surviving or resulting entity, are converted into or exchanged for securities of the surviving or resulting entity or its ultimate parent, and (y) such shares have such rights, preferences, privileges and limited voting rights, and limitations and restrictions thereof, taken as a whole, as are not materially less favorable to the holders thereof than the rights,

preferences, privileges and limited voting rights, and limitations and restrictions thereof, of the Series C Non-Voting Common Shares immediately prior to such consummation, taken as a whole.

*provided*, for the sake of clarity, that the holders of the Series D Non-Voting Common Shares and the Series E Non-Voting Common Shares shall not be entitled to vote such shares, except as required under Bermuda law.

- (d) Each Series C Non-Voting Common Share, Series D Non-Voting Common Share and Series E Non-Voting Common Share shall be automatically converted into one Common Share, subject to any necessary adjustments for any share splits, dividends, recapitalizations, consolidations or similar transactions occurring in respect of the Common Shares or the Non-Voting Convertible Common Shares after the date of the adoption of these Bye-laws, only upon the transfer by the registered holder thereof, whether or not for value, to a third party in a Widely Dispersed Offering. As used herein, "Widely Dispersed Offering" means (i) a widespread public distribution, (ii) a transfer in which no transferee (or group of associated transferees) would receive 2% or more of any class of voting shares of the Company or (iii) a transfer to a transferee that would control more than 50% of the voting shares of the Company without any transfer from the holder.
- (e) The holders of the Series C Non-Voting Common Shares shall have the right to convert all or any number of such shares into Series D Non-Voting Common Shares at any time, in the sole discretion of such holder. The holders of the Series D Non-Voting Common Shares shall have no right to convert such shares, except that, upon the receipt of all applicable regulatory approvals, all or any number of such shares may be converted into Series C Non-Voting Common Shares at any time, in the sole discretion of such holder. The holders of the Series E Non-Voting Common Shares shall have no right to convert such shares.
- (f) If at any time the Company declares or pays a dividend or distribution to any holder of Common Shares in the form of Common Shares or other voting security of the Company, the Company shall declare and pay to each holder of Non-Voting Convertible Common Shares a proportional dividend or distribution in the form of the same series of Non-Voting Convertible Common Shares.

**4.4** The Board is authorised to provide for the issuance of the Preference Shares in one or more series, and to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations, or restrictions thereof (and, for the avoidance of doubt, such matters and the issuance of such Preference Shares shall not be deemed to vary the rights attached to the Common Shares or the Non-Voting Convertible Common Shares or, subject to the terms of any other series of Preference Shares, to vary the rights attached to any other series of Preference Shares). The authority of the Board with respect to each series shall include, but not be limited to, determination of the following:

- (a) the number of shares constituting that series and the distinctive designation of that series;
- (b) the dividend rate on the shares of that series, whether dividends shall be cumulative and, if so, from which date or dates, and the relative rights of priority, if any, of the payment of dividends on shares of that series;

- (c) whether that series shall have voting rights, in addition to the voting rights provided by law, and if so, the terms of such voting rights;
- (d) whether that series shall have conversion or exchange privileges (including, without limitation, conversion into Common Shares), and, if so, the terms and conditions of such conversion or exchange, including provision for adjustment of the conversion or exchange rate in such events as the Board shall determine;
- (e) whether or not the shares of that series shall be redeemable or repurchaseable, and, if so, the terms and conditions of such redemption or repurchase, including the manner of selecting shares for redemption or repurchase if less than all shares are to be redeemed or repurchased, the date or dates upon or after which they shall be redeemable or repurchaseable, and the amount per share payable in case of redemption or repurchase, which amount may vary under different conditions and at different redemption or repurchase dates;
- (f) whether that series shall have a sinking fund for the redemption or repurchase of shares of that series, and, if so, the terms and amount of such sinking fund;
- (g) the right of the shares of that series to the benefit of conditions and restrictions upon the creation of indebtedness of the Company or any subsidiary, upon the issue of any additional shares (including additional shares of such series or any other series) and upon the payment of dividends or the making of other distributions on, and the purchase, redemption or other acquisition by the Company or any subsidiary of any issued shares of the Company;
- (h) the rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company, and the relative rights of priority, if any, of payment of shares of that series; and
- (i) any other relative participating, optional or other special rights, qualifications, limitations or restrictions of that series.

**4.5** Any Preference Shares of any series which have been redeemed (whether through the operation of a sinking fund or otherwise) or which, if convertible or exchangeable, have been converted into or exchanged for shares of any other class or classes shall have the status of authorized and unissued Preference Shares of the same series and may be reissued as a part of the series of which they were originally a part or may be reclassified and reissued as part of a new series of Preference Shares to be created by resolution or resolutions of the Board or as part of any other series of Preference Shares, all subject to the conditions and the restrictions on issuance set forth in the resolution or resolutions adopted by the Board providing for the issue of any series of Preference Shares.

**4.6** At the discretion of the Board, whether or not in connection with the issuance and sale of any shares or other securities of the Company, the Company may issue securities, contracts, warrants or other instruments evidencing any shares, option rights, securities having conversion or option rights, or obligations on such terms, conditions and other provisions as are fixed by the Board, including, without limiting the generality of this authority, conditions that preclude or limit any person or persons owning or offering to acquire a specified number or percentage of the issued Common Shares, other shares, option rights, securities having conversion or option rights, or obligations of the Company or transferee of the person or persons from exercising, converting, transferring or receiving the shares, option rights, securities having conversion or option rights, or obligations.

- 4.7** [Intentionally omitted.]
- 4.8** Any shares shall not carry any right to vote to the extent that the Board of Directors determines, in its reasonable discretion, that it is necessary that such shares should not carry the right to vote in order to avoid adverse tax, legal or regulatory consequences to the Company, any subsidiary of the Company, or any other Member or its affiliates.
- 4.9** Prior to any date on which Members shall vote on any matter, the Board of Directors shall (a) retain the services of an internationally recognized accounting firm or organization with comparable professional capabilities in order to assist the Company in applying the principles of Bye-laws 4.8 through 4.10, (b) obtain from such firm or organization a statement describing the information obtained and procedures followed and setting forth the determinations made with respect to Bye-laws 4.8 through 4.10 and (c) notify each Member of the voting power conferred by its shares determined in accordance with Bye-laws 4.8 through 4.10.
- 4.10** (a) Subject to the provisions of this Bye-law 4.10, the Company shall have the authority to reasonably request from any Member, and such Member shall promptly provide to the Company, such information as the Company may reasonably request for the purpose of (i) determining whether any Member's voting rights are to be adjusted pursuant to Bye-laws 4.8 through 4.10, (ii) determining whether the Company would realize any income that would be included in the income of any Member (or any interest holder, whether direct or indirect, of any Member) by operation of Section 953(c) of the Internal Revenue Code of 1986, as amended (the "Code") and (iii) determining whether the Company or any of its subsidiaries would be entitled to the benefits of a tax treaty.
- (b) Any information provided by each Member to the Company pursuant to this Bye-law 4.10 shall be deemed "confidential information" (the "Confidential Information") and shall be used by the Company solely for the purposes contemplated by this Bye-law 4.10 (except as otherwise may be required by applicable law or regulation). The Company shall hold such Confidential Information in strict confidence and shall not disclose any Confidential Information that it receives, except (i) to the U.S. Internal Revenue Service (the "Service") if and to the extent the Confidential information is required by the Service, (ii) to any outside legal counsel or accounting firm engaged by the Company to make determinations pursuant to Bye-laws 4.8 through 4.10, (iii) to directors, officers and employees of the Company and (iv) as otherwise required by law or regulation. The Company shall take measures reasonably practicable to provide for the continued confidentiality of the Confidential Information and shall grant the persons referred to in the preceding clauses (ii) and (iii) access to the Confidential Information only (x) to the extent necessary, as appropriate, to allow them to assist the Company in any analysis required pursuant to Bye-laws 4.8 through 4.10, (y) to determine whether the Company would realize any income that would be included in the income of any Member (or any interest holder, whether direct or indirect, of any Member) by operation of Section 953(e) of the Code and (z) to determine whether the Company or any of its subsidiaries would be entitled to the benefits of a tax treaty. Prior to granting access to the Confidential Information to any such persons, the Company shall inform them of the information's confidential nature and of the provisions of this Bye-law 4.10 and shall require them to abide by all the provisions hereof. For the avoidance of doubt, the Company shall be permitted to disclose to the Members and others the relative voting percentages of the Members after application of Bye-laws 4.8

through 4.10. At the written request of a Member, the Confidential Information of such Member shall be destroyed or returned to such Member after the later to occur of (i) such Member no longer being a Member or (ii) the expiration of the applicable statute of limitations with respect to any Confidential Information obtained for purposes of engaging in any tax related analysis.

- (c) The Company shall (i) notify a Member of the existence, terms and circumstances surrounding any request made to the Company to disclose any Confidential Information provided by or with respect to such Member and, prior to such disclosure, shall permit, if practicable, such Member a reasonable period of time to seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Bye-law 4.10, and (ii) if, in the absence of a protective order, such disclosure is required in the reasonable opinion of counsel to the Company, the Company shall make such disclosure without liability hereunder; provided that the Company shall use commercially reasonable efforts to furnish only that portion of the Confidential Information that is legally required, shall give such Member notice of the information to be disclosed as far in advance of its disclosure as practicable and, upon the reasonable request of such Member and at its expense, shall use commercially reasonable efforts to ensure that confidential treatment will be accorded to all such disclosed information.
- (d) The Board may rely in good faith exclusively on the analysis, deliberation, reports and other communications of those persons specified in Bye-law 4.10(b) with respect to the collection, disclosure or use of the Confidential Information, including, but not limited to (i) determining whether the Company would realize any income that would be included in the income of any Member (or any interest holder, whether direct or indirect, of any Member) by operation of Section 953(c) of the Code or implementing any provisions of these Bye-laws and (ii) determining whether the Company or any of its subsidiaries would be entitled to the benefits of a tax treaty.
- (e) If any Member fails to respond to a reasonable request for information by the Company pursuant to Bye-law 4.10(a) within seven business days of such request, or submits incomplete or inaccurate information in response to such a reasonable request, the Directors may in their reasonable discretion (after considering the circumstances described in any response to the request by the Member and providing the Member with a cure period of such length as the Board may reasonably determine under the circumstances) determine that such Member's shares shall carry no voting rights in which case such shares shall not carry any voting rights until otherwise determined by the Directors in their reasonable discretion.
- (f) Notwithstanding the foregoing, no Member shall be liable to any other Member or the Company for any losses or damages resulting from such Member's failure to respond to, or submission of incomplete or inaccurate information in response to, a request under subparagraph (a) of this Bye-law or from such Member's failure to give notice under subparagraph (b) of this Bye-law.

## **5. Calls on Shares**

- 5.1** The Board may make such calls as it thinks fit upon the Members in respect of any monies (whether in respect of nominal value or premium) unpaid on the shares allotted to or held by such Members (and not made payable at fixed times by the terms and

conditions of issue) and, if a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay the Company interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment. The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment of such calls.

- 5.2 Any sum which by the terms of allotment of a share becomes payable upon issue or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for all the purposes of these Bye-laws be deemed to be a call duly made and payable, on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these Bye-laws as to payment of interest, costs, charges and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 5.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 5.4 The Company may accept from any Member the whole or a part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up.

## 6. Prohibition on Financial Assistance

The Company shall not give, whether directly or indirectly, whether by means of loan, guarantee, provision of security or otherwise, any financial assistance for the purpose of the acquisition or proposed acquisition by any person of any shares in the Company, but nothing in this Bye-law shall prohibit transactions permitted under the Act.

## 7. Forfeiture of Shares

- 7.1 If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any share allotted to or held by such Member, the Board may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in the form, or as near thereto as circumstances admit, of the following:

Notice of Liability to Forfeiture for Non-Payment of Call  
Enstar Group Limited (the "Company")

You have failed to pay the call of [amount of call] made on the [ ] day of [ ], 20[ ], in respect of the [number] share(s) [number in figures] standing in your name in the Register of Members of the Company, on the [ ] day of [ ], 20[ ], the day appointed for payment of such call. You are hereby notified that unless you pay such call together with interest thereon at the rate of [ ] per annum computed from the said [ ] day of [ ], 20[ ] at the registered office of the Company the share(s) will be liable to be forfeited.

Dated this [ ] day of [ ], 20[ ]

[Signature of Secretary] By Order of the Board

- 7.2 If the requirements of such notice are not complied with, any such share may at any time thereafter before the payment of such call and the interest due in respect thereof be forfeited by a resolution of the Board to that effect, and such share shall thereupon

become the property of the Company and may be disposed of as the Board shall determine.

- 7.3 A Member whose share or shares have been forfeited as aforesaid shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing on such share or shares at the time of the forfeiture and all interest due thereon.
- 7.4 The Board may accept the surrender of any shares which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited.

## **8. Share Certificates**

- 8.1 Every Member shall be entitled to a certificate under the seal of the Company (or a facsimile thereof) specifying the number and, where appropriate, the class of shares held by such Member and whether the same are fully paid up and, if not, specifying the amount paid on such shares.

The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means.

- 8.2 The Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been allotted.
- 8.3 If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.

## **9. Fractional Shares**

The Company may issue its shares in fractional denominations and deal with such fractions to the same extent as its whole shares and shares in fractional denominations shall have in proportion to the respective fractions represented thereby all of the rights of whole shares including (but without limiting the generality of the foregoing) the right to vote, to receive dividends and distributions and to participate in a winding-up.

## **REGISTRATION OF SHARES**

### **10. Register of Members**

- 10.1 The Board shall cause to be kept in one or more books a Register of Members and shall enter therein the particulars required by the Act.
- 10.2 The Register of Members shall be open to inspection at the registered office of the Company on every business day, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each business day be allowed for inspection. The Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole thirty days in each year.

### **11. Registered Holder Absolute Owner.**

The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.

**12. Transfer of Registered Shares**

**12.1** An instrument of transfer shall be in writing in the form of the following, or as near thereto as circumstances admit, or in such other form as the Board may accept:

Transfer of a Share or Shares  
Enstar Group Limited (the "Company")

FOR VALUE RECEIVED.....[amount], I, [name of transferor] hereby sell, assign and transfer unto [transferee] of [address], [number] of shares of the Company.

DATED this [ ] day of [ ], 20[ ]

Signed by: In the presence of:

Transferor    Witness

— —

Transferee    Witness

— —

- 12.2** Such instrument of transfer shall be signed by or on behalf of the transferor and transferee, provided that, in the case of a fully paid share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been transferred to the transferee in the Register of Members.
- 12.3** The Board may refuse to recognise any instrument of transfer unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.
- 12.4** The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 12.5** The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share which is not fully paid. The Board shall refuse to register a transfer unless all applicable consents, authorisations and permissions of any governmental body or agency in Bermuda have been obtained. If the Board refuses to register a transfer of any share the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.
- 12.6** Shares may be transferred without a written instrument if transferred by an appointed agent or otherwise in accordance with the Act.
- 12.7** (a) The Directors may decline to register any transfer of shares if it appears to the Directors, in their reasonable discretion, that any non-de minimis adverse tax,

regulatory or legal consequence to the Company, any subsidiary of the Company, or any other holder of shares or its Affiliates would result from such transfer. The Directors shall have the authority to reasonably request from any holder of shares, and such holder of shares shall provide, such information as the Directors may reasonably request for the purpose of determining whether any transfer should be permitted.

- (b) Subject to any applicable requirements of the Nasdaq Stock Market or other applicable quotation system or exchange, the Directors (a) may decline to register any transfer of shares, unless (i) a written opinion from counsel reasonably acceptable to the Company shall have been obtained to the effect that registration of such shares under the U.S. Securities Act of 1933, as amended, is not required or (ii) an effective registration statement under the U.S. Securities Act of 1933, as amended, is in place covering the shares to be transferred and (b) shall decline to register any transfer of shares if the transferee shall not have been approved by applicable governmental authorities if such approval is required in respect of such transfer.
- (c) If the Board refuses to register a transfer of any share the Secretary shall, within ten business days after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice detailing the nature of the refusal.

### **13. Transmission of Registered Shares**

- 13.1** In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of the Act, for the purpose of this Bye-law, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its reasonable discretion, decide as being properly authorised to deal with the shares of a deceased Member.
- 13.2** Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member  
Enstar Group Limited (the "Company")

I/We, having become entitled in consequence of the [death/bankruptcy] of [name and address of deceased/bankrupt Member] to [number] share(s) standing in the Register of Members of the Company in the name of the said [name of deceased/bankrupt Member] instead of being registered myself/ourselves, elect to have [name of transferee] (the "Transferee") registered as a transferee of such share(s) and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assigns, subject to the conditions on which the same

were held at the time of the execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [ ] day of [ ], 20[ ]

Signed by: In the presence of:

Transferor Witness

— —

Transferee Witness

— —

- 13.3** On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.
- 13.4** Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.
- 13.5** If the Directors in their reasonable discretion determine that share ownership by any person may result in a non-de minimis adverse tax, legal or regulatory consequence to the Company, any subsidiary of the Company, or any other holder of shares or its Affiliates, the Company will have the option but not the obligation to repurchase or assign to a third party the right to purchase the minimum number of shares held by such person which is necessary to eliminate such non-de minimis adverse tax, legal or regulatory consequence at a price determined in the good faith discretion of the Directors to represent such shares' fair market value; provided, that (a) if the shares are not traded on a quotation system or securities exchange in or outside the United States, the fair market value per share shall be determined by the Directors without a minority discount and without a liquidity discount or (b) if the shares are traded on a quotation system or securities exchange, the fair market value per share shall be determined by the Directors based on the average of the last sales price per share or if there is none, the average of the bid and asked price per share, without a minority discount and without a liquidity discount, in each case for the eight business days prior to the repurchase date. If a Member disagrees with any price so determined by the Board, the fair market value per share will be determined by an independent appraiser retained by the Company at its expense and reasonably acceptable to such Member.

**ALTERATION OF SHARE CAPITAL**

**14. Power to Alter Capital**

- 14.1** The Company may if authorised by resolution of the Members increase, divide, consolidate, subdivide, change the currency denomination of, diminish or otherwise alter or reduce its share capital in any manner permitted by the Act.

**14.2** Where, on any alteration or reduction of share capital, fractions of shares or some other difficulty would arise, the Board may deal with or resolve the same in such manner as it thinks fit.

**15. Variation of Rights Attaching to Shares**

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Notwithstanding the foregoing, with respect to the Series C Non-Voting Common Shares, Series D Non-Voting Common Shares and Series E Non-Voting Common Shares only, the rights attached to such Series C Non-Voting Common Shares, such Series D Non-Voting Common Shares or such Series E Non-Voting Common Shares may, whether or not the Company is being wound-up, be varied with the consent in writing of each registered holder thereof holding such Series C Non-Voting Common Shares, Series D Non-Voting Common Shares or Series E Non-Voting Common Shares, respectively, to the extent such variation significantly and adversely affects the rights, preferences, privileges or voting powers of the Series C Non-Voting Common Shares, Series D Non-Voting Common Shares or Series E Non-Voting Common Shares, respectively, set forth in Bye-law 4.3.

**DIVIDENDS AND CAPITALISATION**

**16. Dividends**

**16.1** The Board may, subject to these Bye-laws and in accordance with the Act, declare a dividend to be paid to the Members, in proportion to the number of shares held by them, and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. No unpaid dividend shall bear interest as against the Company.

**16.2** The Board may fix any date as the record date for determining the Members entitled to receive any dividend.

**16.3** The Company may pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.

**16.4** The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. No unpaid distribution shall bear interest as against the Company.

**17. Power to Set Aside Profits**

The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such sum as it thinks proper as a reserve to be used to meet contingencies or for equalising dividends or for any other purpose.

## **18. Method of Payment**

- 18.1** Any dividend or other monies payable in respect of a share may be paid by cheque or warrant sent through the post directed to the address of the Member in the Register of Members (in the case of joint Members, the senior joint holder, seniority being determined by the order in which the names stand in the Register of Members), or by direct transfer to such bank account as such Member may direct. Every such cheque shall be made payable to the order of the person to whom it is sent or to such persons as the Member may direct, and payment of the cheque or warrant shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.
- 18.2** The Board may deduct from the dividends or distributions payable to any Member all monies due from such Member to the Company on account of calls or otherwise.
- 18.3** Any dividend and or other monies payable in respect of a share which has remained unclaimed for 7 years, or such other period of time as may be required pursuant to the listing standard of the Nasdaq Stock Market or such other quotation system or exchange applicable to the Company's shares from the date when it became due for payment shall, if the Board so resolves, be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend or other moneys payable in respect of a share may (but need not) be paid by the Company into an account separate from the Company's own account. Such payment shall not constitute the Company a trustee in respect thereof.
- 18.4** The Company shall be entitled to cease sending dividend cheques and warrants by post or otherwise to a Member if those instruments have been returned undelivered to, or left uncashed by, that Member on at least two consecutive occasions, or, following one such occasion, reasonable enquiries have failed to establish the Member's new address. The entitlement conferred on the Company by this Bye-law 18.4 in respect of any Member shall cease if the Member claims a dividend or cashes a dividend cheque or warrant.

## **19. Capitalisation**

- 19.1** The Board may resolve to capitalise any sum for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro-rata (except in connection with the conversion of shares of one class to shares of another class) to the Members.
- 19.2** The Board may resolve to capitalise any sum for the time being standing to the credit of a reserve account or sums otherwise available for dividend or distribution by applying such amounts in paying up in full partly paid or nil paid shares of those Members who would have been entitled to such sums if they were distributed by way of dividend or distribution.

## MEETINGS OF MEMBERS

### 20. Annual General Meetings

The annual general meeting of the Company shall be held in each year (other than the year of incorporation) at such time and place as the President or the Chairman or the Board shall appoint.

### 21. Special General Meetings

The President or the Chairman or the Board may convene a special general meeting of the Company whenever in their judgment such a meeting is necessary.

### 22. Requisitioned General Meetings

The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid up share capital of the Company as at the date of the deposit carries the right to vote at general meetings of the Company, forthwith proceed to convene a special general meeting of the Company and the provisions of the Act shall apply.

### 23. Notice

**23.1** At least ten days' notice of an annual general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held, that the election of Directors will take place thereat, and as far as practicable, the other business to be conducted at the meeting.

**23.2** At least ten days' notice of a special general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, time, place and the general nature of the business to be considered at the meeting.

**23.3** The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company.

**23.4** A general meeting of the Company shall, notwithstanding that it is called on shorter notice than that specified in these By-laws, be deemed to have been properly called if it is so agreed by (i) all the Members entitled to attend and vote thereat in the case of an annual general meeting; and (ii) by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving a right to attend and vote thereat in the case of a special general meeting.

**23.5** The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

### 24. Giving Notice

**24.1** A notice may be given by the Company to any Member:

- (a) by delivering it to such Member in person; or
- (b) by sending it by letter mail or courier service to such Member's address in the Register of Members or to such other address given for the purpose; or

- (c) by sending it by electronic means (including cable, telex, telecopier, facsimile, electronic mail or other mode of representing words in a legible form, but not by telephone) in accordance with such directions as may be given by such Member to the Company for the purpose; or
- (d) by delivering it in accordance with the provisions of the Act pertaining to delivery of electronic records by publication on a website.

**24.2** Any notice required to be given to a Member shall, with respect to any shares held jointly by two or more persons, be given to whichever of such persons is named first in the Register of Members and notice so given shall be sufficient notice to all the holders of such shares.

**24.3** Save as provided by Bye-laws 24.4 and 24.5, any notice delivered in accordance with Bye-law 24.1(a), (b) or (c) shall be deemed to have been served at the time when the same would be delivered in the ordinary course of transmission and, in proving such service, it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted, at the time when it was posted, delivered to the courier or to the cable company or transmitted by telex, facsimile, electronic mail, or such other method as the case may be.

**24.4** Mail notice shall be deemed to have been served seven days after the date on which it is deposited, with postage prepaid, in the mail of any member state of the European Union, the United States, or Bermuda.

**24.5** Notice delivered in accordance with Bye-law 24.1(d) shall be deemed to have been served at the time when the requirements of the Act in that regard have been met.

**24.6** The Company shall be under no obligation to send a notice or other document to the address shown for any particular Member in the Register of Members if the Board considers that the legal or practical problems under the laws of, or the requirements of any regulatory body or stock exchange in, the territory in which that address is situated are such that it is necessary or expedient not to send the notice or document concerned to such Member at such address and may require a Member with such an address to provide the Company with an alternative acceptable address for delivery of notices by the Company.

## **25. Postponement or Cancellation of General Meeting**

The Chairman or the President may, and the Secretary on instruction from the Chairman or the President shall, postpone or cancel any general meeting called in accordance with the provisions of these Bye-laws (other than a meeting requisitioned under these Bye-laws) provided that notice of postponement or cancellation is given to each Member before the time for such meeting. Fresh notice of the date, time and place for the postponed or cancelled meeting shall be given to the Members in accordance with the provisions of these Bye-laws.

## **26. Attendance and Security at General Meetings**

**26.1** Members may participate in any general meeting by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

**26.2** The Board may, and at any general meeting, the chairman of such meeting may, make any arrangement and impose any requirement or restriction it or he considers appropriate to ensure the security of a general meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place. The Board is, and at any general meeting, the chairman of such meeting is, entitled to refuse entry to a person who refuses to comply with any such arrangements, requirements or restrictions.

**27. Quorum at General Meetings**

**27.1** At any general meeting of the Company two or more persons present in person throughout the meeting and representing in person or by proxy in excess of 50% of the total issued voting shares in the Company shall form a quorum for the transaction of business.

**27.2** If within half an hour from the time appointed for the meeting a quorum is not present, then, in the case of a meeting convened on a requisition, the meeting shall be deemed cancelled and, in any other case, the meeting shall stand adjourned to the same day one week later, at the same time and place or to such other day, time or place as the Secretary may determine. If the meeting shall be adjourned to the same day one week later or the Secretary shall determine that the meeting is adjourned to a specific date, time and place, it is not necessary to give notice of the adjourned meeting other than by announcement at the meeting being adjourned. If the Secretary shall determine that the meeting be adjourned to an unspecified date, time or place, fresh notice of the resumption of the meeting shall be given to each Member entitled to attend and vote thereat in accordance with the provisions of these Bye-laws.

**28. Chairman to Preside.**

Unless otherwise agreed by a majority of those attending and entitled to vote thereat, the Chairman, if there be one, and if not the President, shall act as chairman at all meetings of the Members at which such person is present. In their absence, the Deputy Chairman or Vice President, if present, shall act as chairman and in the absence of all of them a chairman shall be appointed or elected by those present at the meeting and entitled to vote.

**29. Voting on Resolutions**

**29.1** Subject to the provisions of the Act and these Bye-laws, any question proposed for the consideration of the Members at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with the provisions of these Bye-laws and in the case of an equality of votes the resolution shall fail.

**29.2** No Member shall be entitled to vote at a general meeting unless such Member has paid all the calls on all shares held by such Member.

**29.3** At any general meeting a resolution put to the vote of the meeting shall, in the first instance, be voted upon by a show of hands and, subject to any rights or restrictions for the time being lawfully attached to any class of shares and subject to the provisions of these Bye-laws, every Member present in person at such meeting and every person holding a valid proxy at such meeting shall have one vote for each share entitled to vote at the meeting of which such person is the holder or for which such person holds a proxy and shall cast such vote by raising his or her hand.

- 29.4** At any general meeting if an amendment shall be proposed to any resolution under consideration and the chairman of the meeting shall rule on whether the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 29.5** At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to the provisions of these Bye-laws, be conclusive evidence of that fact.

**30. Power to Demand a Vote on a Poll**

- 30.1** Notwithstanding the foregoing, a poll may be demanded by any of the following persons:
- (a) the chairman of such meeting; or
  - (b) at least three Members present in person or represented by proxy; or
  - (c) any Member or Members present in person or represented by proxy and holding between them not less than one-tenth of the total voting rights of all the Members having the right to vote at such meeting; or
  - (d) any Member or Members present in person or represented by proxy holding shares in the Company conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all such shares conferring such right.
- 30.2** Where a poll is demanded, subject to any rights or restrictions for the time being lawfully attached to any class of shares and subject to the provisions of these Bye-laws, every Member present in person at such meeting and every person holding a valid proxy at such meeting shall have one vote for each share entitled to vote at the meeting of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, in such manner as the chairman of the meeting may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 30.3** A poll demanded for the purpose of electing a chairman of the meeting or on a question of adjournment shall be taken forthwith and a poll demanded on any other question shall be taken in such manner and at such time and place at such meeting as the chairman (or acting chairman) of the meeting may direct and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
- 30.4** Where a vote is taken by poll, each person present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or initialed or otherwise marked so as to identify the voter and the registered holder in the case of a proxy. At the conclusion of the poll, the ballot papers shall be examined and counted by a committee of not less than two Members or proxy holders appointed by the chairman for the purpose and the result of the poll shall be declared by the chairman.

**31. Voting by Joint Holders of Shares**

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

**32. Instrument of Proxy**

**32.1** A Member may appoint a proxy by (a) an instrument appointing a proxy in writing in substantially the following form or such other form as the Board may determine from time to time:

Proxy  
Enstar Group Limited (the "Company")

I/We, [insert names here], being a Member of the Company with [number] shares, HEREBY APPOINT [name] of [address] or failing him, [name] of [address] to be my/our proxy to vote for me/us at the meeting of the Members to be held on the [ ] day of [ ], 200[ ] and at any adjournment thereof. (Any restrictions on voting to be inserted here.)

Signed this [ ] day of [ ], 20[ ]

Member(s) \_\_\_\_\_

or (b) such telephonic, electronic or other means as may be approved by the Board from time to time.

**32.2** The appointment of a proxy must be received by the Company at the registered office or at such other place or in such manner as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at which the person named in the appointment proposes to vote, and an appointment of proxy which is not received in the manner so permitted shall be invalid.

**32.3** A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf.

**32.4** The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

**33. Representation of Corporate Member**

**33.1** A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting of the Members and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.

**33.2** Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

## **34. Adjournment of General Meeting**

- 34.1** The chairman of any general meeting at which a quorum is present may with the consent of Members holding a majority of the voting rights of those Members present in person or by proxy (and shall if so directed by Members holding a majority of the voting rights of those Members present in person or by proxy), adjourn the meeting.
- 34.2** In addition, the chairman may adjourn the meeting to another time and place without such consent or direction if it appears to him that:
- (a) it is likely to be impracticable to hold or continue that meeting because of the number of Members wishing to attend who are not present; or
  - (b) the unruly conduct of persons attending the meeting prevents, or is likely to prevent, the orderly continuation of the business of the meeting; or
  - (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
- 34.3** Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with the provisions of these Bye-laws.

## **35. Written Resolutions**

- 35.1** Subject to the following, anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members may, without a meeting and without any previous notice being required, be done by resolution in writing signed by, or in the case of a Member that is a corporation whether or not a company within the meaning of the Act, on behalf of, all the Members who at the date of the resolution would be entitled to attend the meeting and vote on the resolution.
- 35.2** A resolution in writing may be signed by, or in the case of a Member that is a corporation whether or not a company within the meaning of the Act, on behalf of, all the Members, or all the Members of the relevant class thereof, in as many counterparts as may be necessary.
- 35.3** A resolution in writing made in accordance with this Bye-law is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, as the case may be, and any reference in any Bye-law to a meeting at which a resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.
- 35.4** A resolution in writing made in accordance with this Bye-law shall constitute minutes for the purposes of the Act.
- 35.5** This Bye-law shall not apply to:
- (a) a resolution passed to remove an auditor from office before the expiration of his term of office; or
  - (b) a resolution passed for the purpose of removing a Director before the expiration of his term of office.

**35.6** For the purposes of this Bye-law, the date of the resolution is the date when the resolution is signed by, or in the case of a Member that is a corporation whether or not a company within the meaning of the Act, on behalf of, the last Member to sign and any reference in any Bye-law to the date of passing of a resolution is, in relation to a resolution made in accordance with this Bye-law, a reference to such date.

**36. Directors Attendance at General Meetings**

The Directors of the Company shall be entitled to receive notice of, attend and be heard at any general meeting.

**DIRECTORS AND OFFICERS**

**37. Election of Directors**

**37.1** The Board shall consist of such number of Directors being not less than five Directors and not more than such maximum number of Directors, not exceeding fifteen Directors, as the Board may from time to time determine. A majority of the Board shall consist of Directors who are not residents of the United Kingdom. Subject to the Companies Act and these Bye-laws, the Directors shall be elected or appointed by the Company by resolution and shall serve for such term as the Company by resolution may determine, or in the absence of such determination, until the termination of the next annual general meeting following their appointment. All Directors, upon election or appointment (except upon re-election at an annual general meeting) must provide written acceptance of their appointment, in such form as the Board may think fit, by notice in writing to the Company's registered office within thirty (30) days of their appointment.

**37.2** The Board may propose any person for election as a Director and may from time to time establish procedures to receive nominations from a Member of persons for election as Directors. Only persons who are proposed or nominated in accordance with this Bye-law shall be eligible for election as Directors.

**37.3** Where the number of persons validly proposed for re-election or election as a Director is greater than the number of Directors to be elected, the persons receiving the most votes (up to the number of Directors to be elected) shall be elected as Directors, and an absolute majority of the votes cast shall not be a prerequisite to the election of such Directors.

**37.4** At any general meeting the Board may fill any vacancy left unfilled at such general meeting.

**38. Classes of Directors**

The Directors shall be divided into three classes designated Class I, Class II and Class III. Each class of Directors shall consist, as nearly as possible, of one third of the total number of Directors constituting the entire Board.

**39. Term of Office of Directors**

Each Director shall serve for a term ending on the date of the third annual general meeting of shareholders next following the annual general meeting at which such Director was elected, provided, that (i) Directors initially designated by the Board as Class I Directors shall serve for an

initial term ending on the date of the first annual general meeting of Members next following the effectiveness of their designation as Class I Directors, (ii) Directors initially designated by the Board as Class II Directors shall serve for an initial term ending on the date of the second annual general meeting of Members next following the effectiveness of their designation as Class II Directors, and (iii) Directors initially designated by the Board as Class III Directors shall serve for an initial term ending on the date of the third annual general meeting of Members next following the effectiveness of their designation as Class III Directors. If the number of Directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of Directors in each class as nearly equal as possible, and any Director of any class elected to fill a vacancy shall hold office for a term that shall coincide with the remaining term of the other Directors of that class, but in no case shall a decrease in the number of Directors shorten the term of any Director then in office. A Director shall hold office until the annual general meeting for the year in which his term expires, subject to his office being vacated pursuant to Bye-law 42.

**40. Alternate Directors**

There shall be no alternate Directors, and no Member or Director shall have a right to designate any person to attend meetings of the Board or Board committees as a non-voting observer, except with the concurrence of a majority of the Board or committee members in attendance at such meeting.

**41. Removal of Directors**

**41.1** Subject to any provision to the contrary in these Bye-laws, the Members entitled to vote for the election of Directors may, at any special general meeting convened and held in accordance with these Bye-laws, remove a Director, only with cause, by the affirmative vote of Members holding at least a majority of the total combined voting power of all issued and outstanding Common Shares after giving effect to any reduction in voting power acquired under Bye-law 4.8, provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director not less than 14 days before the meeting and at such meeting the Director shall be entitled to be heard on the motion for such Director's removal.

**41.2** If a Director is removed from the Board under the provisions of this Bye-law, the Members may fill the vacancy at the meeting at which such Director is removed. In the absence of such election or appointment, the Board may fill the vacancy.

**41.3** For the purpose of Bye-law 41.1, "cause" shall mean a conviction for a criminal offence involving dishonesty or engaging in conduct which brings the Director or the Company into disrepute and which results in material financial detriment to the Company.

**42. Vacancy in the Office of Director**

**42.1** The office of Director shall be vacated if the Director:

- (a) is removed from office pursuant to these Bye-laws or is prohibited from being a Director by law;
- (b) is or becomes of unsound mind or dies; or
- (c) resigns his office by notice in writing to the Company.

**42.2** Subject to Bye-law 41.2, the Board shall have the power to appoint any person as a Director to fill a vacancy on the Board occurring as a result of the death, disability, disqualification or resignation of any Director or as a result of an increase in the size of the Board as permitted by these Bye-laws.

**43. Remuneration of Directors**

The remuneration (if any) of the Directors shall be deemed to accrue from day to day and shall be determined by the Board or a committee thereof. The Directors may also be paid all travel, hotel and other expenses properly incurred by them in attending and returning from the meetings of the Board, any committee appointed by the Board, general meetings of the Company, or in connection with the business of the Company or their duties as Directors generally.

**44. Defect in Appointment of Director**

All acts done in good faith by the Board or by a committee of the Board or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

**45. Directors to Manage Business**

The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by statute or by these Bye-laws, required to be exercised by the Company in general meeting subject, nevertheless, to these Bye-laws and the provisions of any statute.

**46. Powers of the Board of Directors**

The Board may:

- (a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Company and may fix their remuneration and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;
- (c) appoint one or more Directors to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;
- (d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
- (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may

think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney. Such attorney may, if so authorised under the seal of the Company, execute any deed or instrument under such attorney's personal seal with the same effect as the affixation of the seal of the Company;

- (f) procure that the Company pays all expenses incurred in promoting and incorporating the Company;
- (g) delegate any of its powers (including the power to sub-delegate) to a committee appointed by the Board which may consist partly or entirely of non-Directors, provided that every such committee shall conform to such directions as the Board shall impose on them and provided further that the meetings and proceedings of any such committee shall be governed by the provisions of these Bye-laws regulating the meetings and proceedings of the Board, so far as the same are applicable and are not superseded by directions imposed by the Board;
- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board may see fit;
- (i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;
- (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law; and
- (k) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any agreement, document or instrument on behalf of the Company.

#### **47. Register of Directors and Officers**

The Board shall cause to be kept in one or more books at the registered office of the Company a Register of Directors and Officers and shall enter therein the particulars required by the Act.

48. [Intentionally Omitted.]

#### **49. Appointment of Officers**

The Board may appoint such Officers (who may or may not be Directors) as the Board may determine.. The Secretary (and additional Officers, if any) shall be appointed by the Board from time to time.

#### **50. Duties of Officers**

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

#### **51. Remuneration of Officers**

The Officers shall receive such remuneration as the Board may determine.

## **52. Conflicts of Interest**

- 52.1** Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company and such Director or such Director's firm, partner or company shall be entitled to remuneration as if such Director were not a Director. Nothing herein contained shall authorise a Director or Director's firm, partner or company to act as Auditor to the Company.
- 52.2** A Director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by the Act.
- 52.3** Following a declaration being made pursuant to this Bye-law, and unless disqualified by the chairman of the relevant Board meeting, a Director may vote in respect of any contract or proposed contract or arrangement in which such Director is interested and may be counted in the quorum for such meeting.

## **53. Indemnification and Exculpation of Directors and Officers**

- 53.1** The Directors, Secretary and other Officers (such term to include any person appointed to any committee by the Board) for the time being acting in relation to any of the affairs of the Company, any subsidiary thereof and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company or any subsidiary thereof and every one of them, and their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and none of them shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, provided that this indemnity shall not extend to any matter in which any of such persons is found, in a final judgment or decree not subject to appeal, to have committed fraud or dishonesty. Each Member agrees to waive any claim or right of action such Member might have, whether individually or by or in the right of the Company, against any Director or Officer on account of any action taken by such Director or Officer, or the failure of such Director or Officer to take any action in the performance of his duties with or for the Company or any subsidiary thereof, provided that such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director or Officer.
- 53.2** The Company may purchase and maintain insurance for the benefit of any Director or Officer of the Company against any liability incurred by him under the Act in his capacity as a Director or Officer of the Company or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any subsidiary thereof.

**53.3** The rights conferred under this Bye-law 53 shall not be exclusive of any other right that any individual may have or hereafter acquire under any statute, Bye-law, resolution of Members or Directors, agreement, or otherwise and shall continue as to an individual who has ceased to be a Director, Officer, employee or agent, as applicable, and shall inure to the benefit of his or her heirs, executors, administrators, and personal representatives.

## **MEETINGS OF THE BOARD OF DIRECTORS**

### **54. Board Meetings**

The Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit, provided any such meetings shall occur in Bermuda. Subject to the provisions of these Bye-laws, a resolution put to the vote at a meeting of the Board shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail.

### **55. Notice of Board Meetings**

The Chairman or a majority of the Directors may, and the Secretary on the requisition of such Directors shall, at any time summon a meeting of the Board upon at least five days' prior notice, stating the date, place and time at which the meeting is to be held. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director verbally (in person or by telephone) or otherwise communicated or sent to such Director by post, cable, telex, telecopier, facsimile, electronic mail or other mode of representing words in a legible form at such Director's last known address or any other address given by such Director to the Company for this purpose.

### **56. Participation in Meetings by Telephone**

Directors may participate in any meeting of the Board by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, provided, that no Director may participate by telephone, electronic or other communication facilities from the United Kingdom, the United States, and participation in such a meeting shall constitute presence in person at such meeting.

### **57. Quorum at Board Meetings**

The quorum necessary for the transaction of business at a meeting of the Board shall be a majority of the Directors.

### **58. Board to Continue in the Event of Vacancy**

The Board may act notwithstanding any vacancy in its number but, if and so long as its number is reduced below the number fixed by these Bye-laws as the quorum necessary for the transaction of business at meetings of the Board, the continuing Directors or Director may act for the purpose of (i) summoning a general meeting of the Company; or (ii) preserving the assets of the Company.

**59. Chairman to Preside**

Unless otherwise agreed by a majority of the Directors attending, the Chairman, if there be one, and if not, the President shall act as chairman at all meetings of the Board at which such person is present. In their absence the Deputy Chairman or Vice President, if present, shall act as chairman and in the absence of all of them a chairman shall be appointed or elected by the Directors present at the meeting.

**60. Written Resolutions**

A resolution signed by all the Directors, which may be in counterparts, shall be as valid as if it had been passed at a meeting of the Board duly called and constituted, such resolution to be effective on the date on which the last Director signs the resolution.

**61. Validity of Prior Acts of the Board**

No regulation or alteration to these Bye-laws made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

**CORPORATE RECORDS**

**62. Minutes**

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Officers;
- (b) of the names of the Directors present at each meeting of the Board and of any committee appointed by the Board; and
- (c) of all resolutions and proceedings of general meetings of the Members, meetings of the Board, and meetings of committees appointed by the Board.

**63. Place Where Corporate Records Kept**

Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the registered office of the Company.

**64. Form and Use of Seal**

**64.1** The seal of the Company shall be in such form as the Board may determine. The Board may adopt one or more duplicate seals for use in or outside Bermuda.

**64.2** The seal of the Company shall not be affixed to any instrument except attested by the signature of a Director and the Secretary or any two Directors, or any person appointed by the Board for that purpose, provided that any Director, Officer or Resident Representative, may affix the seal of the Company attested by such Director, Officer or Resident Representative's signature to any authenticated copies of these Bye-laws, the incorporating documents of the Company, the minutes of any meetings or any other documents required to be authenticated by such Director, Officer or Resident Representative.

## ACCOUNTS

### 65. Books of Account

**65.1** The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;
- (b) all sales and purchases of goods by the Company; and
- (c) all assets and liabilities of the Company.

**65.2** Such records of account shall be kept at the registered office of the Company, or subject to the provisions of the Act, at such other place as the Board thinks fit and shall be available for inspection by the Directors during normal business hours.

### 66. Financial Year End

The financial year end of the Company may be determined by resolution of the Board and failing such resolution shall be 31st December in each year.

## AUDITS

### 67. Annual Audit

Subject to any rights to waive laying of accounts or appointment of an Auditor pursuant to the Act, the accounts of the Company shall be audited at least once in every year.

### 68. Appointment of Auditors

**68.1** Subject to the provisions of the Act, at the annual general meeting or at a subsequent special general meeting in each year, the Members shall appoint an independent representative of the Members to serve as the registered independent accounting firm that acts as Auditor of the accounts of the Company.

**68.2** The Auditor may be a Member but no Director, Officer or employee of the Company shall, during his continuance in office, be eligible to act as an Auditor of the Company.

### 69. Remuneration of Auditors

The remuneration of the Auditor shall be fixed by the Audit Committee of the Board or in such manner as the Members may determine.

### 70. Duties of Auditors

**70.1** The financial statements provided for by these Bye-laws shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards.

**70.2** The generally accepted auditing standards referred to in this Bye-law may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be provided for in the Act. If so, the financial statements and the report of the Auditor shall identify the generally accepted auditing standards used.

**71. Access to Records**

The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto, and the Auditor may call on the Directors or Officers of the Company for any information in their possession relating to the books or affairs of the Company.

**72. Financial Statements**

Subject to any rights to waive laying of accounts pursuant to the provisions of the Act, financial statements as required by the Act shall be laid before the Members in general meeting.

**73. Distribution of Auditors Report**

The report of the Auditor shall be submitted to the Members in general meeting.

**74. Vacancy in the Office of Auditor**

If the office of Auditor becomes vacant by the resignation or death or the Auditor, or by the Auditor becoming incapable of acting by reason of illness or other disability at a time when the Auditor's services are required, the vacancy thereby created shall be filled in accordance with the Act.

### **VOLUNTARY WINDING-UP AND DISSOLUTION**

**75. Winding-Up**

If the Company shall be wound up the liquidator may, with the sanction of a resolution of the Members, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

### **CHANGES TO CONSTITUTION**

**76. Changes to Bye-laws**

No Bye-law shall be rescinded, altered or amended and no new Bye-law shall be made until the same has been approved by a resolution of the Board and by a resolution of the Members.

**77. Discontinuance**

The Board may exercise all the powers of the Company to discontinue the Company to a jurisdiction outside Bermuda pursuant to the Act.