

**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): **December 16, 2024**

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.)

A.S. Cooper Building, 4th Floor, 26 Reid Street
Hamilton, Bermuda
(Address of principal executive offices) **HM 11**
(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	ESGRP	The NASDAQ Stock Market	LLC
Perpetual Non-Cumulative Preferred Share, Series D, Par Value \$1.00 Per Share			
Depository Shares, Each Representing a 1/1,000th Interest in a 7.00% 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.

As previously disclosed, on July 29, 2024, Enstar Group Limited, an exempted company limited by shares existing under the laws of Bermuda (the “Company”), entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Deer Ltd., an exempted company limited by shares existing under the laws of Bermuda and a direct wholly owned Subsidiary of the Company (“New Company Holdco”), Deer Merger Sub Ltd., an exempted company limited by shares existing under the laws of Bermuda and a direct wholly-owned Subsidiary of New Company Holdco (“Company Merger Sub”), Elk Bidco Limited, an exempted company limited by shares existing under the laws of Bermuda (“Parent”), and Elk Merger Sub Limited, an exempted company limited by shares existing under the laws of Bermuda and a direct wholly-owned Subsidiary of Parent (“Parent Merger Sub”). Parent and Parent Merger Sub are backed by equity commitments from funds or investment vehicles managed or advised by affiliates of Sixth Street Partners, LLC. Pursuant to the Merger Agreement, the Company, New Company Holdco, Company Merger Sub, Parent and Parent Merger Sub will effect a series of mergers (collectively, the “Mergers”), with the Company surviving such mergers as a wholly owned subsidiary of Parent.

In connection with the Mergers, the Company’s Chief Strategy Officer, David Ni, may become entitled to payments and benefits that may be treated as “excess parachute payments” within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the “Code”). To mitigate the potential impact of Sections 280G and 4999 of the Code on the Company and Mr. Ni, on December 16, 2024, the Human Resource and Compensation Committee of the Company’s board of directors (the “Compensation Committee”) approved, subject to Mr. Ni’s execution of a letter agreement that sets forth the terms described below, (i) acceleration of certain time-vesting restricted stock units (“RSUs”) previously awarded to Mr. Ni (the “Accelerated RSUs”) and (ii) acceleration of a portion of the annual bonus for Mr. Ni under the Enstar Group Limited 2022-2024 Annual Incentive Compensation Program (the “AIP”) equal to 98% of the target bonus amount for Mr. Ni (as accelerated, the “Accelerated AIP,” and together with the Accelerated RSUs, the “Accelerated Payments”). The Accelerated Payments apply for Mr. Ni to the extent set forth below.

These actions are intended to mitigate the potential impacts of Sections 280G and 4999 of the Code on the Company and Mr. Ni, including to preserve potential compensation-related corporate income tax deductions for the Company that might otherwise be disallowed through the operation of Section 280G of the Code and to mitigate or eliminate the amount of excise tax that may be payable by Mr. Ni pursuant to Section 4999 of the Code.

The Compensation Committee approved the following Accelerated RSUs (rounded to the nearest share and inclusive of dividend equivalent units) for Mr. Ni: (i) 969 RSUs that were scheduled to vest on March 20, 2025; (ii) 15,929 RSUs that were scheduled to vest on February 4, 2026; (iii) 761 RSUs that were scheduled to vest on March 20, 2026; and (iv) 448 RSUs that were scheduled to vest on March 20, 2027.

In addition, the Compensation Committee approved Accelerated AIP payments for Mr. Ni.

In all cases, if Mr. Ni is terminated by the Company for “cause” (as defined in his employment agreement) or resigns prior to the earlier of (i) the closing of the Mergers and (ii) the date the Accelerated RSUs otherwise would have vested, Mr. Ni will be obligated to promptly repay to the Company an amount equal to the number of shares actually received by him (or if net settled, the gross number of shares Mr. Ni would have received absent net settlement) in respect of the Accelerated RSUs multiplied by the closing price of a share of the common stock, par value \$1.00 per share, of the Company on the date of settlement of the Accelerated RSUs.

If Mr. Ni is terminated by the Company for cause or resigns, in each case, prior to the date that fiscal year 2024 annual bonuses are otherwise paid out pursuant to the AIP in 2025, Mr. Ni will be

obligated to promptly repay to the Company an amount equal to the gross amount paid to Mr. Ni in respect of the Accelerated AIP.

If Mr. Ni is terminated without Cause prior to the date that fiscal year 2024 annual bonuses are otherwise paid out pursuant to the AIP in 2025, any cash severance benefits due to Mr. Ni under any Company severance arrangement will be reduced by the gross amount paid to Mr. Ni in respect of the Accelerated AIP, and he will have no further rights to any payments in respect of annual bonus with respect to fiscal year 2024. To the extent the Accelerated AIP is greater than the cash severance benefits otherwise payable to Mr. Ni, he will pay to the Company as soon as practicable and in any event within 30 business days after such termination an amount equal to the difference between the gross amount paid to him in respect of the Accelerated AIP and such cash severance benefits.

If Mr. Ni remains employed through the date that fiscal year 2024 annual bonuses are otherwise paid out pursuant to the AIP in 2025 and (i) if Mr. Ni's payout pursuant to the AIP based on actual performance exceeds the amount paid in respect of the Accelerated AIP, Mr. Ni will receive a payout pursuant to the AIP equal to such excess, or (ii) if Mr. Ni's payout pursuant to the AIP based on actual performance is lower than the amount paid in respect of the Accelerated AIP, Mr. Ni will be obligated to promptly repay to the Company the pre-tax amount of such shortfall.

Item 9.01. Financial Statements and Exhibits.

Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1 *	Letter Agreement, dated December 16, 2024, between Enstar Group Limited and David Ni.
101	Pursuant to Rule 406 of Regulation S-T, the cover page information in formatted in Inline XBRL
104	Cover page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101)

- * Certain information has been omitted pursuant to Item 601(b)(10) of Regulation S-K. The Company agrees to furnish such information to the SEC upon request.

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.

December 18, 2024

ENSTAR GROUP LIMITED

By: /s/ Audrey B. Taranto
Audrey B. Taranto
General Counsel and Corporate Secretary

December 16, 2024

David Ni
[***]

Re: Accelerated Payments and Potential Repayment Obligations

Dear David:

This letter agreement (the "Letter Agreement") memorializes your agreement and understanding with Enstar Group Limited (the "Company") regarding the following in connection with the anticipated completion of the transactions contemplated by that certain merger agreement ("Merger Agreement") entered into on July 29, 2024, by and among the Company and Elk Bidco Limited, an exempted company limited by shares existing under the laws of Bermuda, and the other signatories thereto:

- The accelerated vesting of certain of your previously granted equity awards; and
- The accelerated payment of a portion of your fiscal year 2024 target annual bonus;

In order to mitigate potential negative tax consequences to you and the Company under Sections 280G and 4999 of the Internal Revenue Code, the Company will, on or prior to December 31, 2024:

- Accelerate the vesting and settlement of your currently unvested and outstanding restricted stock units ("RSUs") set forth on Schedule A attached hereto (as accelerated, the "Accelerated RSUs"); and
- Accelerate a portion of your annual bonus under the Enstar Group Limited 2022-2024 Annual Incentive Compensation Program (the "AIP") equal to 98% of your target bonus amount (as accelerated, the "Accelerated AIP").

In the event you resign or your employment is terminated for Cause (as defined in your employment agreement with the Company, effective as of July 1, 2019, as amended as of February 4, 2022) prior to the earlier of (1) the closing of the transactions contemplated by the Merger Agreement and (2) the date the Accelerated RSUs otherwise would have vested, you will be obligated to promptly repay to the Company an amount equal to the number of shares you receive (or if net settled, the gross number of shares you would have received absent net settlement) in respect of the Accelerated RSUs *multiplied by* the closing price of a share of the Company on the date of settlement of the Accelerated RSUs. Such amount shall be paid to the Company as soon as practicable and in any event within 30 business days after such termination.

In the event you resign or your employment is terminated for Cause prior to the date that fiscal year 2024 annual bonuses are otherwise paid out under the AIP in 2025, you will be obligated to promptly repay to the Company an amount equal to the gross amount paid to you in respect of the Accelerated AIP. Such amount shall be paid to the Company as soon as practicable and in any event within 30 business days after such termination.

In the event you are terminated without Cause prior to the date that fiscal year 2024 annual bonuses are otherwise paid out under the AIP in 2025, any cash severance benefits due to you under any Company severance agreement to which you are a party or Company severance plan in which you participate will be reduced by the gross amount paid to you in respect of the Accelerated AIP, and you will have no further rights to any payments in respect of annual bonus with respect to fiscal year 2024. To the extent the Accelerated AIP is greater than the cash severance benefits otherwise payable to you, you will pay to the Company as soon as practicable and in any event within 30 business days after such termination an amount equal to the

difference between the gross amount paid to you in respect of the Accelerated AIP and such cash severance benefits.

In the event you remain employed through the date that fiscal year 2024 annual bonuses are otherwise paid out under the AIP in 2025, (i) if your final gross payout under the AIP based on actual performance is higher than the gross amount of the Accelerated AIP, you will receive a payout under the AIP equal to the excess of the gross payout determined based on actual performance over the gross amount of the Accelerated AIP, payable in accordance with the terms and conditions of the AIP and subject to applicable tax withholding, or (ii) if your final payout under the AIP based on actual performance is lower than the Accelerated AIP, you will be obligated to promptly repay to the Company an amount equal to the excess of the pre-tax amount of the Accelerated AIP over what would be the pre-tax amount of the payout determined based on actual performance. Such amount shall be paid to you or to the Company, as applicable, as soon as practicable after the AIP payments are made to similarly situated executives and in any event within 30 business days after such payment date.

This Letter Agreement shall be governed and construed in accordance with the laws of the State of Delaware, without regard to conflicts of laws principles thereof and may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

Please confirm your agreement by signing below.

Sincerely,

COMPANY

Enstar Group Limited

By: /s/ Elizabeth DaSilva

Name: Elizabeth DaSilva, Assistant Secretary

AGREED AND ACCEPTED BY: /s/ David Ni
David Ni

[Signature Page to Repayment Letter]

Schedule A

1. 969 RSUs, originally scheduled to vest on March 20, 2025;
2. 15,929 RSUs, originally scheduled to vest on February 4, 2026;
3. 761 RSUs, originally scheduled to vest on March 20, 2026; and
4. 448 RSUs, originally scheduled to vest on March 20, 2027.