

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 4)*

Watford Holdings Ltd.

(Name of Issuer)

**Common Shares, par value \$0.01 per share
(Title of Class of Securities)**

**G94787101
(CUSIP Number)**

**c/o Enstar Group Limited
P.O. Box HM 2267, Windsor Place 3rd Floor
22 Queen Street
Hamilton, Bermuda HMJX
(441) 292-3645**

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

October 15, 2020

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box:

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1	NAME OF REPORTING PERSONS Cavello Bay Reinsurance Limited	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (see instructions) (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS (See Instructions) WC	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Bermuda	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 1,815,858 (1)
	8	SHARED VOTING POWER -0-
	9	SOLE DISPOSITIVE POWER 1,815,858 (1)
	10	SHARED DISPOSITIVE POWER -0-
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,815,858 (1)	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9 9.1% (2)	
14	TYPE OF REPORTING PERSON (see instructions) IC	

(1) The shares are held by Cavello Bay Reinsurance Limited, a Bermuda company ("Cavello Bay"). Cavello Bay has voting and dispositive power over all of these shares, except that Kenmare Holdings Ltd., a Bermuda company ("Kenmare"), the parent of Cavello Bay, and Enstar Group Limited, a Bermuda company ("Enstar"), the parent of Kenmare, may be deemed to share the right to direct the voting and dispositive power over such shares.

(2) This percentage is calculated based on 19,886,979 common shares issued and outstanding as of August 7, 2020, as reported in the Issuer's Form 10-Q filed on August 7, 2020.

1	NAME OF REPORTING PERSONS Kenmare Holdings Ltd.		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (see instructions) (a) <input type="checkbox"/> (b) <input type="checkbox"/>		
3	SEC USE ONLY		
4	SOURCE OF FUNDS (See Instructions) WC		
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>		
6	CITIZENSHIP OR PLACE OF ORGANIZATION Bermuda		
	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER -0-
		8	SHARED VOTING POWER 1,815,858 (1)
		9	SOLE DISPOSITIVE POWER -0-
		10	SHARED DISPOSITIVE POWER 1,815,858 (1)
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,815,858 (1)		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>		
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9 9.1% (2)		
14	TYPE OF REPORTING PERSON (see instructions) CO, HC		

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1	NAME OF REPORTING PERSONS Enstar Group Limited		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (see instructions) (a) <input type="checkbox"/> (b) <input type="checkbox"/>		
3	SEC USE ONLY		
4	SOURCE OF FUNDS (See Instructions) WC		
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>		
6	CITIZENSHIP OR PLACE OF ORGANIZATION Bermuda		
	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER -0-
		8	SHARED VOTING POWER 1,815,858 (1)
		9	SOLE DISPOSITIVE POWER -0-
		10	SHARED DISPOSITIVE POWER 1,815,858 (1)
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,815,858 (1)		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>		
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9 9.1% (2)		
14	TYPE OF REPORTING PERSON (see instructions) CO, HC		

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(2) This percentage is calculated based on 19,886,979 common shares issued and outstanding as of August 7, 2020, as reported in the Issuer's Form 10-Q filed on August 7, 2020.

This Amendment No. 4 (the "Amendment") amends the statement on Schedule 13D filed by Cavello Bay Reinsurance Limited, Kenmare Holdings Ltd. and Enstar Group Limited (the "Reporting Persons") on September 21, 2020 and amended twice on October 1, 2020 and once on October 6, 2020 (the "Schedule 13D"). Capitalized terms used but not otherwise defined in this Amendment shall have the meanings ascribed to such terms in the Schedule 13D. Except as otherwise provided herein, each Item of the Schedule 13D remains unchanged.

Item 4. Purpose of Transaction

Item 4 of the Schedule 13D is amended and restated as follows:

Cavello Bay initially acquired the Common Shares to which this Schedule 13D relates for investment purposes.

On September 30, 2020, Enstar delivered a letter to the Board of Directors of the Issuer indicating its desire to discuss the acquisition of all of the Issuer's ordinary shares for \$31.00 per share. The proposal was subject to customary due diligence and the negotiation of definitive agreements. The September 30, 2020 letter was previously filed as Exhibit 2 and is incorporated herein by reference.

On October 5, 2020, Enstar delivered a second letter to the Board of Directors of the Issuer reconfirming its interests in pursuing the transaction outlined in its September 30, 2020 letter. The October 5, 2020 letter was previously filed as Exhibit 3 and is incorporated herein by reference.

On October 15, 2020, Enstar delivered a third letter to the Board of Directors of the Issuer expressing its strong disappointment that the Board of Directors of the Issuer entered into an Agreement and Plan of Merger with Arch Capital Group Ltd. without meaningfully engaging with Enstar regarding its prior proposal. The letter further stated that Enstar has increased its indicative, non-binding proposal to \$34.50 per share subject to satisfactory completion of its due diligence. The October 15, 2020 letter is included as Exhibit 4 and is incorporate herein by reference.

There can be no assurance that the Issuer and Enstar will reach an agreement with respect to any transaction or that the nature or terms of any such transaction will not differ from the description in Enstar's letters to the Board of Directors of the Issuer.

Depending on various factors, the Reporting Persons and each of their representatives may from time to time engage in discussions with the Issuer, other current or prospective shareholders of the Issuer, existing or potential strategic partners, investment professionals and other third parties regarding a variety of matters relating to the Issuer, which may include, among other things, Enstar's proposal to the Board of Directors of the Issuer, the Issuer's business, management, capital structure, corporate governance, Board composition and strategic alternatives and direction, as well as pursue other plans or proposals that relate to or could result in any of the actions that are described in subsections (a) through (j) of Item 4 of Schedule 13D.

Depending upon overall market conditions, other investment opportunities available to the Reporting Persons, and the availability of Common Shares at prices that would make the purchase or sale of Common Shares desirable, the Reporting Persons reserve the right to and may acquire or dispose of Common Shares, including through public and private transactions. Cavello Bay intends to review its investment in the Issuer on a continuing basis.

Item 7. Material to Be Filed as Exhibits

Item 7 of the Schedule 13D is amended and restated as follows.

- | | |
|-----------|--|
| Exhibit 1 | Joint Filing Agreement by and among Cavello Bay Reinsurance Limited, Kenmare Holdings Ltd. And Enstar Group Limited, dated September 21, 2020 (previously filed) |
| Exhibit 2 | Letter dated September 30, 2020 from Enstar Group Limited to the Board of Directors of Watford Holdings Ltd. (previously filed) |
| Exhibit 3 | Letter dated October 5, 2020 from Enstar Group Limited to the Board of Directors of Watford Holdings Ltd. (previously filed) |
| Exhibit 4 | Letter dated October 15, 2020 from Enstar Group Limited to the Board of Directors of Watford Holdings Ltd. |

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: October 15, 2020

Cavello Bay Reinsurance Limited

By: /s/ Guy Bowker

Name: Guy Bowker

Title: Director

Kenmare Holdings Ltd.

By: /s/ Guy Bowker

Name: Guy Bowker

Title: Director

Enstar Group Limited

By: /s/ Guy Bowker

Name: Guy Bowker

Title: Chief Financial Officer

Exhibit 4

[Letterhead of Enstar Group Limited]

October 15, 2020

Watford Holdings Ltd.
Waterloo House, 1st Floor
100 Pitts Bay Road
Pembroke HM 08, Bermuda

Attention: Board of Directors

We write to express our strong disappointment with the Board's decision to enter into an agreement with Arch Capital Group, Ltd. for the sale of Watford at \$31.10 per common share, a price which is well below the fair value of the company, and request that the Board engage with Enstar.

On September 30, Enstar submitted an all-cash bid of \$31.00 per common share for Watford. This amount was \$5.00 per share higher than the reported offer by Arch of \$26.00 per common share. After several days with no meaningful engagement from the Watford Board, Enstar sent a second letter to the Board on October 5, indicating that we were prepared to consider a higher bid subject to conducting due diligence on an expedited basis. In view of Enstar's prior price increase of nearly 20% above the initial Arch offer, the Board certainly could understand that Enstar was in fact prepared to raise its bid if given the opportunity to conduct diligence.

Rather than engage with Enstar, the Board, as far as we can tell, rushed to enter into the Agreement and Plan of Merger dated October 9, 2020 ("Agreement") with Arch, accepting Arch's bid of \$31.10 per common share. That bid represented a less than a 1% increase in price from Enstar's offer. The Board did not return to Enstar to explore whether it was prepared to increase its bid above \$31.10, or even respond to Enstar's request for expedited diligence to allow for an increased offer. Again, in light of Enstar's \$5.00 per share increased offer and the clear signal in its second letter, the Board's decision to ignore Enstar and execute the Agreement with Arch raises very serious and troubling questions, including whether the Board properly discharged its fiduciary duties to act in the best interest of the company.

To make matters worse, the Board executed an agreement that includes a "no-shop" provision without conducting a reasonable pre-signing market check; to the contrary, the Board cut off any market check by rushing to prematurely and inexplicably sign an agreement with its controlling shareholder, while refusing to engage with Enstar, another strongly interested bidder. Exacerbating that problem, Watford has agreed to pay an \$18.66 million "break up" fee to its controlling shareholder if the Board rightfully terminates the Agreement for a transaction that is in the best interest of all of the Watford shareholders instead of just its controlling shareholder.

We continue to believe that Watford is worth more than \$31.10 per common share. Indeed, the public markets seem to be in agreement, with the share price trading above the Arch offer. In light of all the surrounding circumstances, there is serious doubt as to whether the Watford Board has adequately discharged its fiduciary duties.

As the second largest shareholder in Watford, Enstar will not accept the current Arch offer of \$31.10 per common share. We have retained legal advisors to advise us in connection with next steps, including litigation if it becomes necessary. Our sole interest is to see that shareholder value is maximized.

Finally, Enstar requests again that the Board agree to allow Enstar the ability to conduct expedited diligence. Subject to satisfactory completion of diligence, Enstar is hereby providing a revised indicative, non-binding proposal to acquire 100% of the outstanding common shares of Watford at \$34.50 per share, payable in all cash.

We look forward to hearing from you.

Yours sincerely,

/s/ Paul O'Shea

Paul O'Shea
President