



NOTICE

BRITISH STEAMSHIP PROTECTION AND INDEMNITY ASSOCIATION (BERMUDA) LIMITED

HAMILTON, BERMUDA – The Bermuda Monetary Authority (**Authority or BMA**) has successfully petitioned the Supreme Court of Bermuda to **wind up British Steamship Protection and Indemnity Association (Bermuda) Limited (Company)** pursuant to the provisions of Section 35(1)(b), (c) and 35(3) of the Insurance Act 1978 (**Insurance Act**) and the Companies Act 1981 (**Companies Act**).

The Company was incorporated under the laws of the Islands of Bermuda on 18 June 2010 and was registered by the Authority on 15 July 2010 as a Class 2 insurer under the Insurance Act. The Company provided protection and indemnity (**P&I**) coverage for the Company’s shareholders, being small tonnage ship owners that fell outside of the scope of risks underwritten by many international P&I clubs.

The Company is a wholly owned subsidiary of British Steamship Protection & Indemnity Association Limited, a company incorporated in the Republic of the Marshall Islands. The directors of the Company at all material times were Mr. Li Yu (otherwise known as Edwin Li) and Yang Dingdong (collectively referred to as the **Directors**); both were based in Singapore.

The Authority deemed it appropriate to petition the Supreme Court to wind up the Company as a result of extensive and longstanding breaches of the Insurance Act. In particular, the Directors of the Company

- Failed to appoint an approved auditor since 2019, contrary to Section 16 of the Insurance Act
- Failed to produce and file audited statutory financial statements and statutory financial returns for the year ending 2019, 2020 and 2021 as required under Sections 15, 15A, 17 and 18 of the Insurance Act, thereby preventing the Authority from ascertaining the financial position of the Company
- Failed to maintain adequate accounting and record-keeping systems and failed to meet reporting requirements contrary to Section 46 of the Insurance Code of Conduct 2015

- Failed to appoint and maintain a principal representative as required by Section of the Insurance Act
- Failed to maintain a registered office in accordance with Sections 62 and 130 of the Companies Act 1981

Accordingly, the Authority presented a winding-up petition and an application to the Supreme Court of Bermuda seeking the appointment of joint provisional liquidators (**JPLs**) to the Company. By Order of the Supreme Court dated **28 October 2022**, the Company was ordered to be wound up under the provisions of the Companies Act 1981 and **Charles Thresh and Mike Morrison of Teneo (Bermuda Ltd.)**, 19 Par-la-Ville Road, Third Floor, Hamilton, Bermuda were appointed as the JPLs of the Company

The Authority viewed the above breaches as serious because of their extent and duration and no longer had confidence in the Directors' ability to manage the Company's affairs and to restore its compliance with the Insurance Act. The Authority's actions highlight the importance of its role in protecting the reputation of the jurisdiction and the interests of the public.

If anyone has any immediate questions related to the Company or the liquidation going forward, please contact the JPLs at

- **Charlie Thresh - Charles.Thresh@teneo.com**
- **Mike Morrison - Mike.Morrison@teneo.com**