

Eligibility for Building Indemnity Insurance

Building Indemnity Insurance (BII) is a statutory product, compulsory under relevant building legislation in South Australia, for builders carrying out residential building work.

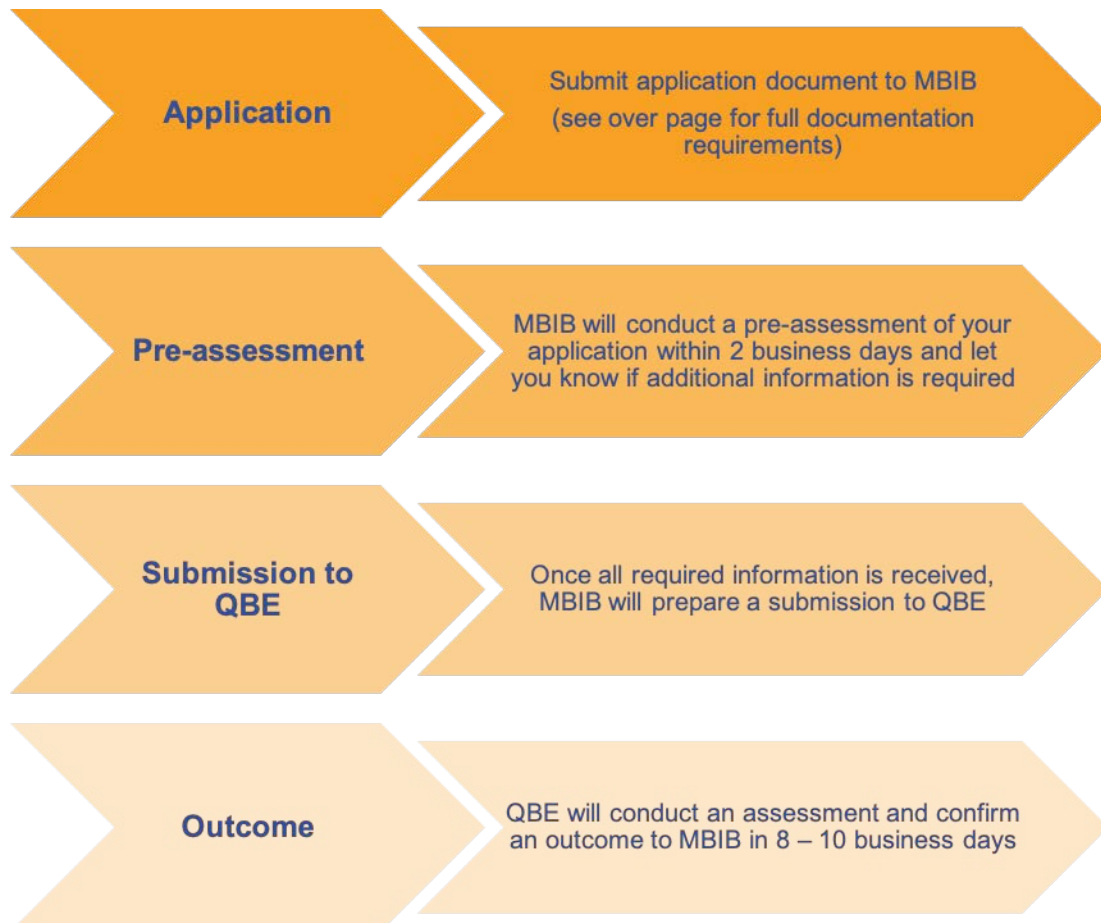
BII covers the home owner (and subsequent owners) for completion of the building work and loss of deposit should the builder die, disappear or become insolvent within 5 years from the date of practical completion of building works.

Registered building contractors must also take out a BII policy for residential contracts \$12,000 or greater that require development approval.

A Letter of Eligibility for BII is required by Consumer & Business Services for builders seeking a residential building licence for the first time (building classes 1 to 10).

MBIB has many years experience in dealing with the underwriters of BII in South Australia and has a designated team that are well placed to assist both new and existing builders through the eligibility and review processes.

Eligibility Application Process:



Documentation Requirements:

All Applicants

- ✓ Fully completed and signed QBE application form
- ✓ Copies of current council rates notices for properties declared in Section 3 of the application form
- ✓ Copy of bank statement confirming cash holdings declared in Section 3 – ensure that account holder name is clearly visible

Sole traders and partnerships	New companies	Companies that have been actively trading
<ul style="list-style-type: none">✓ Full individual or partnership tax returns for the last two financial years. Please note that full tax returns are required – the Notice of Assessment pages are not sufficient for the insurer.	<ul style="list-style-type: none">✓ Start-up balance sheet for the company, as prepared by your accountant✓ Full individual tax returns for each director of the business for the last two financial years	<ul style="list-style-type: none">✓ Full financial statements for the company for the last two financial year ends, as prepared by an external accountant✓ If latest full financials are older than six months, please also provide latest interim financial statements (management accounts acceptable)

Please Note:

- The above represents minimum requirements. MBIB or the insurer may determine that additional information is required to support your application once we have had an opportunity to conduct an initial review of this documentation.
- An eligibility application fee applies (MBA SA membership attracts a discount). Please contact us for further details.