

SAMPLE

Adequacy of Resources Policy

[Insert full Company Name]

Company: [Insert Company Name]
ACN: [Insert]
AFSL: [Insert]
Date Updated: [Insert date]

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SECTION A – INTRODUCTION

1. BACKGROUND

- 1.1 This document outlines [Insert full company name]'s (“**[Insert defined company name]**”) policies and procedures for maintaining adequate resources.
- 1.2 The *Corporations Act* 2001 (Cth) (“**Corporations Act**”) requires [Insert defined company name] to have available adequate financial, human and technological resources to engage in the financial services authorised by [Insert defined company name]'s Australian Financial Services Licence (“**AFSL**”).

2. OBJECTIVES OF POLICY

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- 2.1 [Insert defined company name]'s Adequacy of Resources Policy has been implemented because:
- (a) [Insert defined company name] has an obligation to ensure adequate financial resources are available to provide financial services covered by [Insert defined company name]'s AFSL and to carry out supervisory arrangements;
 - (b) [Insert defined company name] has an obligation to ensure adequate human resources are available to provide financial services covered by [Insert defined company name]'s AFSL; and
 - (c) [Insert defined company name] has an obligation to ensure adequate technological resources are available to:
 - (i) comply with financial services legislation;
 - (ii) maintain client records and data integrity;
 - (iii) protect confidential and other information; and
 - (iv) meet current and future operational needs.

SECTION B – FINANCIAL RESOURCES

3. GENERAL OBLIGATION

- 3.1 Section 912A(1)(d) of the *Corporations Act* and *ASIC Regulatory Guide 166: Financial Requirements* (“**RG166**”) requires [Insert defined company name] to:
- (a) ensure there are sufficient financial resources to meet all debts when they become due and payable;
 - (b) ensure [Insert defined company name]'s total assets (or adjusted assets) exceed total liabilities (or adjusted liabilities);