Third Quarter 2019 Standard Setter Update

Financial reporting and accounting developments (current through 30 September 2019)

October 2019
This Third Quarter 2019 Standard Setter Update highlights significant developments in financial reporting and accounting between 1 July 2019 and 30 September 2019, except as noted. Our Standard Setter Update publications also summarize certain proposals under consideration by the Financial Accounting Standards Board (FASB or Board), the Emerging Issues Task Force (EITF or Task Force), the Private Company Council (PCC), the Securities and Exchange Commission (SEC or Commission), the Public Company Accounting Oversight Board (PCAOB), the Auditing Standards Board (ASB) and the Governmental Accounting Standards Board (GASB). For additional details on these developments, we refer you to related EY publications, many of which can be found on our AccountingLink website. We will continue to keep you informed about important developments as they occur.

October 2019

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Date issued: 26 July 2019

Summary

The Accounting Standards Update (ASU) amends SEC paragraphs in the Accounting Standards Codification (ASC or Codification) to reflect the issuance of SEC final rules on Disclosure Update and Simplification and Investment Company Reporting Modernization, and make other updates.
The FASB has completed deliberations on these proposals and is expected to issue final guidance soon.

**Codification Improvements to Topic 326, Financial Instruments – Credit Losses**

*Date issued:* 27 June 2019  –  *comment period ended* 29 July 2019

*Summary*

The FASB proposed several amendments to the new credit losses standard, including an amendment that would require entities to include expected recoveries of the amortized cost basis in the credit loss estimate for purchased credit-deteriorated assets, subject to certain limitations.

*Effective date*

For entities that have not yet adopted ASU 2016-13, the effective date and transition would be the same as those in ASU 2016-13. For entities that have already adopted ASU 2016-13, the amendments would be effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Early adoption would be permitted as long as an entity has adopted ASU 2016-13.

*Other resources*

- Comment letter (SCORE No. 06622-191US)

**Income Taxes (Topic 740), Simplifying the Accounting for Income Taxes**

*Date issued:* 14 May 2019  –  *comment period ended* 28 June 2019

*Summary*

The FASB proposed changes to ASC 740 that would eliminate certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. The proposal would simplify aspects of the accounting for franchise taxes, transactions that result in a step up in the tax basis of goodwill, and enacted changes in tax laws or rates. The proposal would clarify that single-member limited liability companies and similar disregarded entities that are not subject to income tax are not required to recognize an allocation of consolidated income tax expense in their separate financial statements, but they could elect to do so with appropriate disclosure.

*Effective date*

The Board subsequently decided that the guidance would be effective for public business entities (PBEs) for fiscal years beginning on or after 15 December 2020, and interim periods within those fiscal years. It would be effective for all other entities for fiscal years beginning on or after 15 December 2021, and interim periods within fiscal years beginning after 15 December 2022. Early adoption would be permitted.

*Other resources*

- FASB Project Update: Simplifications to Accounting for Income Taxes
- To the Point, *FASB proposes simplifying the accounting for income taxes* (SCORE No. 06247-191US)
- Comment letter (SCORE No. 06499-191US)
Compensation – Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606), Codification Improvements – Share-Based Consideration Payable to a Customer

Date issued: 4 March 2019 – comment period ended 18 April 2019

Summary
Share-based payments granted to a customer in conjunction with a revenue arrangement that is not in exchange for a distinct good or service would be measured and classified in accordance with ASC 718. The amount recorded as a reduction of the transaction price would be measured using the grant-date fair value of the share-based payment. Subsequent changes in the measurement of the equity instrument that are due to the form of the consideration (e.g., for a liability-classified award) would not be included in the transaction price and would be recorded elsewhere in the income statement. The award would be measured and classified under ASC 718 for its entire life, unless it is modified after the award vests and the grantee is no longer a customer.

Effective date and transition
In subsequent deliberations, the Board clarified that entities that have already adopted ASU 2018-07 would have the option to apply the proposed amendments retrospectively through a cumulative-effect adjustment to retained earnings as of the beginning of the fiscal year when they adopted ASU 2018-07 or as of the beginning of the fiscal year that the proposed amendments would be adopted. However, if an entity were to apply the proposed amendments in the same fiscal year that it adopted ASU 2018-07, the proposed amendments would be applied retrospectively through a cumulative-effect adjustment to retained earnings as of the beginning of that fiscal year.

The Board also decided that the amendments would be effective for all PBEs, as well as all other entities that have adopted ASU 2018-07, for fiscal years beginning after 15 December 2019, and interim periods within those years. For all other entities, the guidance would be effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020. Early adoption would be allowed, but not before an entity’s adoption of ASU 2018-07.

Other resources
- FASB Project Update: Codification Improvements – Share-Based Consideration Payable to a Customer
- To the Point, FASB proposes requiring equity awards granted to customers to be measured at the grant date (SCORE No. 06053-191US)
- Comment letter (SCORE No. 07293-191US)
Issued this quarter

Debt (Topic 470), Simplifying the Classification of Debt in a Classified Balance Sheet (Current versus Noncurrent)

*Date issued: 12 September 2019 – comment period ends 28 October 2019*

**Summary**

The FASB revised its proposal on the balance sheet classification of debt to clarify how entities would apply the principle-based approach it proposed in 2017. Entities would still be required to classify debt as noncurrent if it is contractually due to be settled more than one year (or operating cycle, if longer) after the balance sheet date or the entity has contractual rights to defer the settlement for more than one year (or operating cycle, if longer) after the balance sheet date, but the proposal would clarify the following:

- Entities would not be able to consider their ability to refinance debt using separate arrangements, such as letters or lines of credit, in place on the balance sheet date.

- An entity would classify convertible debt on the basis of when it is contractually due to be settled in cash (or other current assets), rather than on the timing of any conversion to equity shares. However, debt that must be settled entirely in equity shares of the borrower within 12 months after the balance sheet date would be classified as current.

- If a borrower violates a covenant in a long-term debt arrangement but the debt isn’t callable at the balance sheet date because the arrangement provides a contractual grace period, the debt would be classified as noncurrent.

The guidance would apply to debt arrangements, including convertible debt, as well as lease liabilities under ASC 840 and ASC 842 and mandatorily redeemable financial instruments that are accounted for as liabilities under ASC 480.

**Effective date and transition**

Entities would apply the guidance prospectively to all debt arrangements that exist at the date of adoption and all arrangements entered into after that date. An effective date has not yet been determined. Early adoption would be permitted.

**Other resources**

- FASB Project Update: Simplifying the Balance Sheet Classification of Debt
- To the Point, *FASB revises its proposal to simplify the balance sheet classification of debt* (SCORE No. 06922-191US)
Reference Rate Reform (Topic 848), Facilitation of the Effects of Reference Rate Reform on Financial Reporting

**Date issued:** 5 September 2019 – comment period ends 7 October 2019

**Summary**

The FASB proposed providing temporary optional expedients and exceptions to the US GAAP guidance on contract modifications and hedge accounting in light of the expected market transition from the London Interbank Offered Rate (LIBOR) and other interbank offered rates to alternative reference interest rates, such as the Secured Overnight Financing Rate. Under the proposal, an entity could choose not to apply certain modification accounting requirements in US GAAP to contracts affected by what the proposal calls reference rate reform, if certain criteria are met. An entity that made this election would present and account for a modified contract as a continuation of the existing contract.

The proposal would also provide optional expedients that would enable entities to continue to apply hedge accounting for hedging relationships in which the critical terms change due to reference rate reform, if certain criteria are met.

**Effective date and transition**

The relief would be effective upon issuance, and entities would be able to apply it prospectively through 31 December 2022.

**Other resources**

- FASB Project Update: Reference Rate Reform: Facilitation of the Effects of the Interbank Offered Rate Transition on Financial Reporting
- To the Point, FASB proposes relief for the transition away from LIBOR and certain other reference rates (SCORE No. 06882-191US)
- Comment letter (SCORE No. 07468-191US)

Financial Services – Insurance (Topic 944), Effective Date

**Date issued:** 21 August 2019 – comment period ended 20 September 2019

**Summary**

The FASB proposed deferring the effective dates of the new standard on long-duration insurance contracts. SEC filers that are not smaller reporting companies (SRCs) would be required to adopt the standard for fiscal years beginning after 15 December 2021, including interim periods within those fiscal years. All other entities would be required to adopt it for fiscal years beginning after 15 December 2023, and interim periods a year later.

**Other resources**

- FASB Project Update: Insurance – Effective Date
- To the Point, FASB proposes deferring effective dates for the new standard on long-duration insurance contracts (SCORE No. 06786-191US)
- Comment letter (SCORE No. 07485-191US)
Financial Instruments – Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842), Effective Dates

Date issued: 15 August 2019 – comment period ended 16 September 2019

Summary
The FASB proposed deferring the effective date of the new credit losses standard for all entities except SEC filers that are not SRCs to fiscal years beginning after 15 December 2022, including interim periods within those fiscal years. It also proposed deferring the effective date for its new standards on hedging and leases for entities that are not PBEs (and for the leases standard, for entities that are not not-for-profit (NFP) entities that have issued, or are conduit bond obligors for, certain securities and not employee benefit plans (EBPs) that file or furnish financial statements with or to the SEC) to fiscal years beginning after 15 December 2020 and interim periods in the following fiscal year.

The FASB is also requesting feedback on the two-bucket approach it developed to establish effective dates for major projects.

Other resources
- FASB Project Update: Credit Losses, Hedging, and Leases—Effective Dates for Private Companies, Not-for-Profit Organizations and Small Public Companies
- To the Point, FASB proposes deferring certain effective dates for major standards (SCORE No. 06752-191US)
- Comment letter (SCORE No. 06948-191US)

Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity’s Own Equity (Subtopic 815-40), Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity

Date issued: 31 July 2019 – comment period ends 14 October 2019

Summary
The FASB proposed simplifying an issuer’s accounting for convertible instruments by eliminating the requirements in ASC 470-20 to separately account for embedded conversion features. Only embedded conversion features requiring bifurcation under ASC 815-15 would be accounted for separately.

For contracts in an entity’s own equity, the proposal would require entities to disregard certain events that would trigger an adjustment to the contract’s settlement amount and any events that would trigger net cash settlement, if the likelihood of the event occurring is remote. It also would eliminate some of the conditions for equity classification under ASC 815-40.

The proposal also would require entities to use the if-converted method for all convertible instruments in the diluted earnings per share (EPS) calculation and presume share settlement for instruments that may be settled in cash or shares, except for liability-classified share-based payment awards.
Effective date and transition

The FASB proposed a modified retrospective transition approach for most of the proposed amendments. Under this approach, the proposed guidance on convertible instruments and contracts in an entity’s own equity would require a cumulative-effect adjustment to the opening balance of retained earnings as of the beginning of the fiscal year of adoption. The proposed amendments to the EPS guidance for instruments that may be settled in cash or shares would require a full retrospective approach. The proposal would allow all amendments to be applied retroactively.

Early adoption would not be permitted, except for convertible instruments with down-round features issued by entities that have not yet adopted ASU 2017-11. An effective date has not yet been determined.

Other resources

- FASB Project Update: Distinguishing Liabilities from Equity (Including Convertible Debt)
- To the Point, FASB proposes simplifying an issuer’s accounting for debt and equity instruments (SCORE No. 06671-191US)

Investments – Equity Securities (Topic 321), Investments – Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815), Clarifying the Interactions between Topic 321, Topic 323, and Topic 815

Date issued: 30 July 2019 – comment period ended 29 August 2019

Summary

The proposal would clarify that an entity that applies the measurement alternative in ASC 321 should consider all observable transactions, including those that result in the entity initially applying or discontinuing the use of the equity method of accounting under ASC 323. The entity would remeasure its previously held interest at fair value immediately before applying ASC 323 and would remeasure its retained investment at fair value immediately after discontinuing the equity method.

The proposal also would clarify that certain forward contracts and purchased options to purchase securities that, upon settlement or exercise, would be accounted for under the equity method under ASC 323 should be accounted for under ASC 321. The clarification would only apply to forward contracts and purchased options on equity securities that are not deemed to be in-substance common stock under ASC 323 or accounted for as derivatives under ASC 815. An entity would not consider whether the equity security underlying the forward contract or purchased option would, individually or with existing investments, be accounted for under the equity method upon settlement of the forward contract or exercise of the purchased option when determining the accounting for the forward or option in the period before it is settled or exercised, respectively.

Effective date and transition

An effective date has not yet been determined. The guidance would be applied prospectively.

Other resources

- EITF Update, June 2019 meeting highlights (SCORE No. 06416-191US)
Proposals previously issued

- Disclosure Improvements, Codification Amendments in Response to the SEC’s Disclosure Update and Simplification Initiative
  - Date issued: 6 May 2019 – comment period ended 28 June 2019

- Income Taxes (Topic 740), Disclosure Framework – Changes to the Disclosure Requirements for Income Taxes
  - Date issued: 25 March 2019 – comment period ended 31 May 2019

- Consolidation (Topic 812), Reorganization
  - Date issued: 20 September 2017 – comment period ended 4 December 2017

- Inventory (Topic 330), Disclosure Framework – Changes to the Disclosure Requirements for Inventory
  - Date issued: 10 January 2017 – comment period ended 13 March 2017

- Concepts Statement No. 8 – Conceptual Framework for Financial Reporting, Chapter 7: Presentation
  - Date issued: 11 August 2016 – comment period ended 9 November 2016

- Government Assistance (Topic 832), Disclosures by Business Entities about Government Assistance
  - Date issued: 12 November 2015 – comment period ended 10 February 2016

Other resources

- 2018 Standard Setter Update (SCORE No. 05430-191US)
**Invitation to Comment – Identifiable Intangible Assets and Subsequent Accounting for Goodwill**

*Date issued: 9 July 2019 – comment period ends 7 October 2019*

**Summary**

The FASB issued an Invitation to Comment (ITC) to solicit feedback on whether it should and, if so how, it should simplify the subsequent accounting for goodwill and the accounting for certain intangible assets for PBEs.

In the ITC, the Board seeks input on whether it should (1) change the requirements for accounting for goodwill, including whether it should change the impairment test or whether it should require goodwill to be amortized; (2) change the requirements for recognizing intangible assets in a business combination; and (3) add new disclosure requirements or change the current requirements for disclosures about goodwill and intangible assets.

The FASB scheduled a public roundtable discussion to gather views on the ITC on 15 November 2019.

**Other resources**

- FASB Project Update: Identifiable Intangible Assets and Subsequent Accounting for Goodwill
- To the Point, FASB seeks input on subsequent accounting for goodwill and accounting for intangible assets (SCORE No. 06531-191US)
- Comment letter (SCORE No. 07467-191US)

**FASB staff clarifies lessor accounting for uncollectible operating lease receivables**

*Date issued: 17 July 2019*

**Summary**

The FASB staff told the Board at a public meeting that it responded to a technical inquiry by saying that, under ASC 842, lessors can continue to recognize a reserve (i.e., allowance for uncollectible operating lease receivables) under the loss contingency guidance in ASC 450-20 after applying the collectibility guidance in the new standard. Lessors that choose this option will need to first apply the new collectibility guidance in ASC 842, which requires them to evaluate the collectibility of all lease payments and recognize an impairment for any receivables related to a particular lease if they determine that collection of substantially all of the payments for that lease is not probable.

The staff made the comments in response to questions that arose after the FASB issued final guidance clarifying that receivables related to operating leases are not in the scope of the new credit losses guidance and should instead be accounted for under ASC 842.

**Other resources**

- To the Point, FASB staff clarifies lessor accounting for uncollectible operating lease receivables (SCORE No. 06578-191US)
**FASB staff issues question and answer document on credit losses**

*Date issued: 17 July 2019*

**Summary**
The FASB staff issued a question and answer document on its new credit losses standard that addresses using historical loss information, developing reasonable and supportable forecasts and reverting to historical loss information when estimating expected credit losses.

**What’s next — agenda highlights**

**FASB agenda**
In addition to the topics above, the FASB’s agenda includes:

- Codification improvements: hedge accounting
- Codification improvements: financial instruments – credit losses (vintage disclosure: gross write-offs and gross recoveries)
- Hedging: last-of-layer method
- Accounting by a joint venture for nonmonetary assets contributed by investors
- Not-for-profit reporting of gifts in kind
- Financial performance reporting: disaggregation of performance information
- Segment reporting
- Disclosure framework: disclosures (interim reporting)
- Improving the accounting for asset acquisitions and business combinations
- Conceptual framework: measurement
- Conceptual framework: elements
- Codification improvements

**EITF agenda**
In addition to the topics above, the EITF’s agenda includes projects on Revenue recognition — contract modifications of licenses of intellectual property (EITF 19-B) and Warrant modifications: issuer’s accounting for modifications of equity classified freestanding call options that are not in the scope of Topic 718 or Topic 815 (EITF 19-C). The next EITF meeting is scheduled for 7 November 2019.

**PCC agenda**
In September, members of the PCC and the FASB discussed the FASB’s projects on effective date consideration for private companies, not-for-profit organizations and small public companies. They also discussed the Board’s projects on Reference rate reform: facilitation of the effects of the interbank offered rate transition on financial reporting; Distinguishing liabilities from equity (including convertible debt); Identifiable intangible assets and subsequent accounting for goodwill; and Simplifying the balance sheet classification of debt. In addition, they discussed implementation of the new leases standard, the PCC’s project on Practical expedient to measure grant-date fair value of equity-classified share-based awards (PCC Issue No. 2018-01) and the PCC town hall meeting held in August 2019.
The next PCC meeting is scheduled for 16-17 December 2019.

Other resources

- FASB Technical Agenda
- Private Company Council Meetings
Solicitations of Interest Prior to a Registered Public Offering (Release No. 33-10699)

**Date issued:** 25 September 2019

**Summary**
The SEC adopted a final rule that allows all issuers to gauge market interest in a possible initial public offering or other registered securities offering in discussions with certain institutional investors before or after they file a registration statement. Previously, only emerging growth companies (EGCs) were allowed to test the waters in this manner. The rule is intended to help all issuers evaluate market interest before they incur the costs associated with a public offering.

**Effective date**
The rule is effective on 3 December 2019.

Exchange-Traded Funds (Release Nos. 33-10695, IC-33646)

**Date issued:** 25 September 2019

**Summary**
The SEC adopted a new rule that will allow exchanged-traded funds (ETFs) that satisfy certain conditions to come to market without incurring the expense and delay of obtaining an exemptive order that allows them to operate as investment companies under the Investment Company Act of 1940. These conditions include providing daily portfolio transparency on a website; providing website disclosure of certain information, such as historical premiums and discounts and bid-ask spreads; and adopting policies and procedures when custom baskets are used to create or redeem units.

ETFs that are organized as open-end funds will be permitted to rely on the rule, while ETFs organized as unit investment trusts, leveraged or inverse ETFs, ETFs structured as a share class of a multi-class fund, and non-transparent ETFs will not be able to rely on the rule.

**Effective date**
The rule and related form amendments will be effective 60 days after publication in the Federal Register, but there will be a one-year transition period for compliance with the form amendments. One year after the effective date, the SEC will rescind exemptive relief previously granted to ETFs that will be permitted to rely on the rule.
**SEC rule proposals**

**Issued this quarter**

**Update of Statistical Disclosures for Bank and Savings and Loan Registrants**  
(Release Nos. 33-10688, 34-86984)

*Date issued:* 17 September 2019 – *comment period ends* 2 December 2019

**Summary**

The proposed rules would update and clarify the requirements for statistical disclosures that bank and savings and loan registrants include in their SEC filings. The proposal would eliminate certain disclosure requirements that overlap with US GAAP, IFRS and other SEC rules and would replace Industry Guide 3, *Statistical Disclosure by Bank Holding Companies*, with a new subpart of Regulation S-K.

Disclosures required under the proposal would include:

- Distribution of assets, liabilities and stockholders’ equity, the related interest income and expense, and interest rates and interest differential (e.g., providing disclosures to investors and other users to understand components of net interest earnings to evaluate the effect of potential changes in interest rates on future income)
- Weighted average yield of investments in debt securities by maturity
- Maturity analysis of the loan portfolio, including amounts that have predetermined interest rates and floating or adjustable interest rates
- Disaggregation of certain credit quality indicators and credit ratios, such as net charge-offs, the allowance for credit losses to total loans and nonaccrual loans to total loans
- Information about bank deposits, including uninsured amounts

**Modernization of Regulation S-K Items 101, 103, and 105**  
(Release Nos. 33-10668, 34-86614)

*Date issued:* 8 August 2019 – *comment period ends* 22 October 2019

**Summary**

The proposal would modify the description of business disclosure requirements (Item 101 of Regulation S-K) to provide a nonexclusive list of disclosure topics that would require responsive disclosures only if they are material to an understanding of the registrant’s business taken as a whole.

The proposal also would eliminate the requirement to discuss the development of the registrant’s business over the past five years and instead give registrants the flexibility to choose a timeframe that reflects their material facts and circumstances. In filings after an initial registration statement, registrants would be permitted to present only material updates and include a hyperlink to the most recently filed disclosure that, together with the update, would present a complete discussion.

The proposal would also require disclosures about human capital resources and related measures or objectives on which management focuses, such as development and/or retention of employees, if material.

The proposal would amend the requirements for the discussion of legal proceedings (Item 103 of Regulation S-K) to permit registrants to include a hyperlink or cross-reference to information about legal proceedings disclosed elsewhere in the same filing. In addition, it would require a registrant to disclose any environmental proceedings to which a government authority is a party if the registrant reasonably believes it will result in sanctions of $300,000 or more, up from $100,000.
The proposal also would amend the risk factor disclosure rules in Item 105 of Regulation S-K to require registrants to report “material” risk factors, rather than their “most significant” risk factors. It also would require registrants to provide a summary risk factor disclosure if the risk factors section of a filing exceeds 15 pages.

**Other resources**
- To the Point, SEC proposes further modernization of Regulation S-K disclosure requirements (SCORE No. 06729-191US)

**Proposals previously issued**
- Amendments to the Accelerated Filer and Large Accelerated Filer Definitions (Release No. 34-85814)
  - Date issued: 9 May 2019 – comment period ended 29 July 2019
- Amendments to Financial Disclosures about Acquired and Disposed Businesses (Release Nos. 33-10635, 34-85765, IC-33465)
  - Date issued: 3 May 2019 – comment period ended 29 July 2019
- Securities Offering Reform for Closed-End Investment Companies (Release Nos. 33-10619, 34-85382, IC-33427)
  - Date issued: 20 March 2019 – comment period ended 10 June 2019
- Fund of Funds Arrangements (Release Nos. 33-10590, IC-33329)
  - Date issued: 19 December 2018 – comment period ended 2 May 2019
- Financial Disclosures About Guarantors and Issuers of Guaranteed Securities and Affiliates Whose Securities Collateralize a Registrant’s Securities (Release No. 33-10526)
  - Date issued: 24 July 2018 – comment period ended 3 December 2018
- Amendments to the Commission’s Whistleblower Program Rules (Release No. 33-83557)
  - Date issued: 29 June 2018 – comment period ended 18 September 2018
- Amendments to Investment Advisers Act Rules to Reflect Changes Made by the FAST Act (Release No. IA-4697)
  - Date issued: 3 May 2017 – comment period ended 8 June 2017

**Other resources**
- 2018 Standard Setter Update (SCORE No. 05430-191US)
- Comment letter, Amendments to the Accelerated Filer and Large Accelerated Filer Definitions (SCORE No. 06670-191US)
- Comment letter, Amendments to Financial Disclosures about Acquired and Disposed Businesses (SCORE No. 06636-191US)
Commission Guidance Regarding Proxy Voting Responsibilities of Investment Advisers (Release Nos. IA-5325, IC-33605) and Commission Interpretation and Guidance Regarding the Applicability of the Proxy Rules to Proxy Voting Advice (Release No. 34-86721)

Date issued: 21 August 2019

Summary
The SEC provided guidance on the proxy voting responsibilities of investment advisers, including when they retain a proxy advisory firm to help them with aspects of those responsibilities, and related disclosures.

The SEC also issued an interpretation that proxy voting advice generally constitutes a solicitation subject to the federal proxy rules. This means that voting advice cannot contain any statements that are false or misleading with respect to any material fact.

The new guidance and interpretation were issued following calls from businesses for oversight of proxy firms that advise investors on voting their shares. This Commission guidance carries more weight than the previous SEC staff-level guidance but does not impose additional substantive requirements.

C&DI s on Inline XBRL

Date issued: 20 August 2019

Summary
The SEC staff in the Division of Corporation Finance issued Compliance and Disclosure Interpretations (C&DIs) that address questions about the rules for Inline XBRL. The C&DIs address how registrants should identify interactive data files, various cover page tagging issues, voluntary submissions made by a registrant before it is required to use Inline XBRL and compliance by foreign private issuers.

The new Inline XBRL tagging requirements are effective for large accelerated files for periods ended after 15 June 2019 (i.e., second quarter Form 10-Q filings for calendar-year companies). They will be phased in for other operating companies and mutual funds over the next three years.

Divisions of Corporation Finance, Investment Management and Trading and Markets, and Office of the Chief Accountant Staff Statement on LIBOR Transition

Date issued: 12 July 2019

Summary
The SEC staff issued a statement encouraging companies that have not already done so to begin managing their transition away from LIBOR, which is expected to be phased out in 2021. While the statement is focused on LIBOR, the SEC staff noted that companies should also monitor other reference rates undergoing transition.

In the statement, the staff of the Office of the Chief Accountant said the transition could have a significant effect on an issuer’s accounting and financial reporting. Areas the staff highlighted include modifications of the terms of debt instruments, hedging activities, inputs used in valuation models and potential income tax consequences.
The staff of the Division of Corporation Finance said it is important for companies to keep investors informed about their progress in managing the transition from LIBOR. Potential disclosures the staff said companies might need to make include risks, if material, related to the transition and how they are being mitigated.

The FASB separately proposed providing temporary optional expedients and exceptions to the US GAAP guidance on contract modifications and hedge accounting in light of the expected market transition from LIBOR and other reference interest rates to alternatives, such as the Secured Overnight Financing Rate. The proposal would provide relief in some of the areas highlighted by the SEC staff.

Division of Corporation Finance Announcement Regarding Rule 14a-8 No-Action Requests

*Date issued:* 6 September 2019

*Summary*

The SEC staff in the Division of Corporation Finance announced that, starting with the 2019-2020 shareholder proposal season, it may respond orally instead of in writing to some no-action requests to exclude shareholder proposals from a proxy statement. The staff said it intends to issue response letters only when it believes doing so would “provide value” (e.g., provide broadly applicable guidance). In some situations, the staff may decline to express a view on a request, but parties should not interpret that as an indication that a proposal must be included in a proxy statement.
Amendments to Auditing Standards for Auditor’s Use of the Work of Specialists (PCAOB Release No. 2018-006)

*Date approved by the SEC: 1 July 2019*

**Summary**

The PCAOB adopted amendments to its standards on an auditor’s use of the work of a specialist to strengthen the requirements on evaluating the work of a company specialist and to enhance the supervision of specialists employed by auditors. The amendments expand the requirements for using the work of a company’s specialist, a specialist employed by the auditor and an external specialist engaged by the auditor to gather audit evidence. The amendments also require auditors to evaluate certain factors to design a risk-based approach for using the work of a specialist.

The amendments retain the definition of a specialist, and as a result, they don’t apply to individuals who specialize in income taxes and information technology and participate in an audit since those topics are considered specialized areas of accounting and auditing.

**Effective date**

The guidance is effective for audits of fiscal years ending on or after 15 December 2020.

**Other resources**

- To the Point, PCAOB adopts new standard on estimates and amends standards on using the work of specialists (SCORE No. 05373-191US)

Auditing Accounting Estimates, Including Fair Value Measurements (PCAOB Release No. 2018-005)

*Date approved by the SEC: 1 July 2019*

**Summary**

The PCAOB adopted a new standard on auditing accounting estimates, including fair value measurements, that enhances the audit requirements and focuses the auditor’s attention on estimates with a higher risk of material misstatement. The standard, which replaces three existing standards, emphasizes the need for professional skepticism when auditing accounting estimates because they generally involve subjective assumptions and measurement uncertainty that make them susceptible to management bias.

The new standard enhances the requirements for approaches that auditors may use, individually or in combination, to gather audit evidence for accounting estimates. It also creates requirements and enhances existing requirements for evaluating accounting estimates.

The appendix of the new standard addresses auditing estimates of the fair value of financial instruments and establishes requirements for the auditor to determine whether pricing information obtained from third parties, such as pricing services and brokers or dealers, provides sufficient appropriate evidence.

**Effective date**

The guidance is effective for audits of fiscal years ending on or after 15 December 2020.

**Other resources**

- To the Point, PCAOB adopts new standard on estimates and amends standards on using the work of specialists (SCORE No. 05373-191US)
Proposals previously issued

  
  *Date issued: 26 September 2017 – comment period ended 15 November 2017*

Other resources

- 2018 Standard Setter Update (SCORE No. 05430-191US)
Other PCAOB

PCAOB staff issues guidance on auditing estimates and the auditor’s use of the work of specialists

Date issued: 22 August 2019

Summary
The PCAOB staff issued four guidance documents to assist auditors in implementing the new audit requirements for estimates and using the work of specialists as audit evidence. These changes are effective for audits of financial statements for fiscal years ending on or after 15 December 2020.

Other resources
- PCAOB staff guidance: Auditing accounting estimates
- PCAOB staff guidance: Auditing the fair value of financial instruments
- PCAOB staff guidance: Supervising or using the work of an auditor’s specialist
- PCAOB staff guidance: Using the work of a company’s specialist

PCAOB staff issues resources on critical audit matters for audit committees and investors

Date issued: 11 July 2019

Summary
The PCAOB released two publications with information and insights for audit committees and investors on the requirement for auditors to communicate critical audit matters (CAMs) in auditor’s reports, which is effective for reports on large accelerated filers for fiscal years ending on or after 30 June 2019. The documents include information about changes to the auditor’s report, frequently asked questions about CAMs, and information about the implementation of the standard.

The PCAOB staff issued guidance for auditors earlier in 2019 on the requirements for auditors to disclose CAMs in auditor’s reports and responses to frequently asked questions.
The Auditor’s Responsibilities Relating to Other Information Included in Annual Reports (Statement on Auditing Standards No. 137)

Date issued: 10 July 2019

Summary
Statement on Auditing Standards (SAS) No. 137 clarifies the auditor’s responsibility for other information included in annual reports that contain, accompany or incorporate by reference the financial statements.

The SAS requires the auditor’s report to include a separate section describing the auditor’s work with respect to other information, when, at the date of the auditor’s report, the auditor has obtained all of the other information. It also expands the auditor’s responsibilities with respect to other information by requiring the auditor to consider whether the other information is consistent with the auditor’s understanding of the entity and its environment.

Effective date
The SAS is effective for audits of financial statements for periods ending on or after 15 December 2020. Early implementation is not permitted.

Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA (Statement on Auditing Standards No. 136)

Date issued: 10 July 2019

Summary
The ASB issued SAS No. 136 (the employee benefit plan (EBP) SAS) for financial statement audits of EBPs that are subject to the Employee Retirement Income Security Act of 1974 (ERISA).

The EBP SAS requires auditors to test plan provisions based on the assessed risk of material misstatement and communicate reportable findings in writing to those charged with governance, rather than include them in the auditor’s report. When management elects to have an audit performed in accordance with ERISA section 103(a)(3)(C), which provides an ERISA-permitted audit scope limitation for information related to assets held for investment and certified by a qualified institution, auditors are required to perform specific procedures relating to the certified investment information, including evaluating management’s assessment of whether the entity issuing the certification is a qualified institution. The EBP SAS reflects significant changes in the form of the ERISA section 103(a)(3)(C) auditor’s report, replacing the disclaimer of opinion typically issued under current standards.

The EBP SAS also requires the auditor to read a draft of the Form 5500 before dating the auditor’s report to identify any material inconsistencies with the audited ERISA plan financial statements.

Effective date
The EBP SAS is effective for audits of ERISA plan financial statements for periods ending on or after 15 December 2020. Early implementation is not permitted.

Other resources
• To the Point, AICPA issues final standard that changes the requirements for ERISA plan audits and auditor’s reports (SCORE No. 06527-191US)
Issued this quarter

Amendments to AU-C 800 series

Date issued: 28 August 2019 – comment period ends 28 October 2019

Summary
The proposal would conform the AU-C 800 series guidance with the changes to the format and content of the auditor’s report and other provisions of SAS No. 134, Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements, and other recently issued SASs. It would also make a limited number of revisions to converge the American Institute of Certified Public Accountants (AICPA) standards with those of the International Auditing and Assurance Standards Board (IAASB).

Effective date
The guidance would be effective for audits of financial statements for periods ending on or after 15 December 2020.

Auditing Accounting Estimates and Related Disclosures

Date issued: 22 August 2019 – comment period ends 22 November 2019

Summary
The proposal would require specific risk assessment procedures for estimates, including fair value measurements, that address the increasingly complex business environment and the complexity in financial reporting frameworks. The proposal also would emphasize the need for professional skepticism when auditing estimates because they generally involve assumptions and estimation uncertainty that make them susceptible to misstatement due to management bias.

In developing the proposal, the ASB considered revisions to auditing standards on estimates made by the IAASB and the PCAOB.

Effective date
The guidance would be effective for audits of financial statements for periods ending on or after 15 December 2022.

Highlights of proposals previously issued

Audit Evidence

Date issued: 20 June 2019 – comment period ended 18 September 2019

Summary
The proposal would clarify what constitutes audit evidence in an audit of financial statements. Auditors would be required to consider certain factors when evaluating information to be used as audit evidence, and the definition of the sufficiency of audit evidence would be modified to focus on the persuasiveness of the evidence rather than the quantity of the evidence. The attributes and factors that an auditor would need to consider when evaluating evidence would include the information’s source, relevance and reliability and whether the information corroborates or contradicts the assertions in the financial statements.
The proposal also would address the expanding sources of information that could be used as audit evidence, provide examples of emerging technologies (e.g., audit data analytics) that may be used by an auditor and describe activities undertaken by an auditor to more clearly demonstrate the application of professional skepticism.

**Effective date**
The guidance would be effective for audits of financial statements for periods beginning on or after 15 June 2021.

**Other resources**
- Comment letter (SCORE No. 06990-191US)

### Amendments to the Description of the Concept of Materiality

**Date issued:** 5 June 2019 – comment period ended 5 August 2019

**Summary**
The ASB issued a proposed SAS and a proposed Statement on Standards for Attestation Engagements (SSAE) to align the materiality concepts in the AICPA standards with the definition of materiality used by the US judicial system, the PCAOB auditing standards, the SEC and the FASB. The ASB said it does not believe the proposed changes would significantly affect audit or attestation engagements.

**Effective dates**
The effective date of the proposed SAS amendments would not be before audits of financial statements for periods ending on or after 15 December 2020. The effective date of the proposed SSAE amendments would not be before practitioner’s reports dated on or after 15 December 2020.

**Other resources**
- Comment letter (SCORE No. 06672-191US)

### Other proposals previously issued

- Revisions to Statement on Standards for Attestation Engagements No. 18, Attestation Standards: Clarification and Recodification
  - **Date issued:** 11 July 2018 – comment period ended 11 October 2018

**Other resources**
- 2018 Standard Setter Update (SCORE No. 05430-191US)
Other proposals previously issued

- Proposed Statement on Standards for Accounting and Review Services, Materiality in a Review of Financial Statements, Adverse Conclusions, and Special Purpose Frameworks
  - Date issued: 19 June 2019 – comment period ended 20 September 2019
- Proposed Statement on Standards for Attestation Engagements, Selected Procedures
  - Date issued: 1 September 2017 – comment period ended 1 December 2017

Other resources
- 2018 Standard Setter Update (SCORE No. 05430-191US)
Implementation Guide No. 2019-3, Leases

Date issued: 15 August 2019

Summary
The GASB issued an implementation guide containing questions and answers addressing the application of GASB Statement No. 87, Leases. The guide covers scope and applicability; determining the term of a lease; determining whether a lease qualifies for the short-term lease exception; recognition, measurement and disclosure by lessees and lessors; accounting for contracts with multiple components and contract combinations; accounting for modifications and terminations of leases; and sale-leasebacks, lease-leasebacks and intra-entity leases.

Effective date and transition
The guide’s requirements are effective for reporting periods beginning after 15 December 2019. Earlier application is encouraged if Statement 87 has been implemented. Changes adopted to conform to the provisions of the implementation guide should be applied retroactively by restating financial statements, if practicable, for all prior periods presented.
**Issued this quarter**

**Replacement of Interbank Offered Rates**

*Date issued: 26 September 2019 – comment period ends 27 November 2019*

**Summary**

The proposed accounting and financial reporting guidance would help state and local governments in the transition away from LIBOR and other interbank offered rates to alternative reference rates. The FASB has also issued a proposal intended to provide relief related to the anticipated transition away from LIBOR in 2021. The proposal would:

- Allow governments to continue using hedge accounting for certain hedging derivative instruments that are amended or replaced to change the reference rate from an interbank offered rate
- Clarify the hedge accounting termination provisions when an interbank offered rate is replaced as a reference rate of a hedged item
- Clarify that the uncertainty associated with reference rate reform does not, by itself, affect the probability that a hedged expected transaction will occur
- Remove LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Add the Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates
- Clarify the definition of reference rate
- Provide an exception to the lease modifications guidance in Statement 87 for certain lease contract amendments related to interbank offered rates

**Effective date**

The proposed removal of LIBOR as an appropriate benchmark interest rate would be effective for reporting periods beginning after 15 December 2020. All other requirements of the proposed guidance would be effective for reporting periods beginning after 15 June 2020. Earlier application would be encouraged.

**Omnibus 20XX**

*Date issued: 9 July 2019 – comment period ends 4 October 2019*

**Summary**

The GASB proposed guidance that would address various accounting and financial reporting issues identified during the implementation and application of certain GASB pronouncements.

**Effective date**

Some of the requirements would be effective immediately, while others would be effective for fiscal years or reporting periods beginning after 15 June 2020 or for government acquisitions in reporting periods beginning after that date. Earlier application would be permitted and encouraged by topic.
Proposals previously issued

- Internal Revenue Code Section 457 Deferred Compensation Plans That Meet the Definition of a Pension Plan and Supersession of GASB Statement 32
  - Date issued: 28 June 2019 – comment period ended 27 September 2019
- Public-Private and Public-Public Partnerships and Availability Payment Arrangements
  - Date issued: 13 June 2019 – comment period ended 13 September 2019
- Subscription-Based Information Technology Arrangements
  - Date issued: 21 May 2019 – comment period ended 23 August 2019

Other resources

- Second Quarter 2019 Standard Setter Update (SCORE No. 06611-191US)
Preliminary Views, Financial Reporting Model Improvements

**Date issued:** 28 September 2018 – comment period ended 15 February 2019

**Summary**
The GASB issued its Preliminary Views on targeted improvements to the financial reporting model. The proposed changes would include (1) a short-term financial resources measurement focus for government funds that recognizes short-term transactions and other events when incurred and long-term transactions and other events when due, (2) a format for the government fund financial statements that distinguishes between current and long-term resource flows, (3) an additional subtotal and proprietary funds financial statements for operating income (loss) and noncapital subsidies and (4) the presentation of all budgetary comparison information as required supplementary information and the presentation of two variance columns. The document also contains alternative views.

The GASB held public hearings and user forums on the topic in the first quarter of 2019.

Preliminary Views, Recognition of Elements of Financial Statements

**Date issued:** 28 September 2018 – comment period ended 15 February 2019

**Summary**
The GASB issued its Preliminary Views on concepts related to the recognition of elements of financial statements, such as assets and liabilities. The GASB proposed that an item being considered for recognition in the financial statements would be evaluated using a hierarchy for recognition of elements. The GASB also proposed a recognition framework for both the short-term financial resources measurement focus and the economic resources measurement focus. The document also contains alternative views.

The GASB held public hearings and user forums on the topic in the first quarter of 2019.

Invitation to Comment, Revenue and Expense Recognition

**Date issued:** 1 February 2018 – comment period ended 27 April 2018

**Summary**
The GASB requested feedback on the development of comprehensive revenue and expense recognition guidance for state and local governments. The Invitation to Comment discusses an exchange/nonexchange model that would classify revenue and expense transactions based on whether they are considered an exchange or nonexchange transaction, and a performance obligation/no performance obligation model that would classify revenue and expense transactions based on whether a binding agreement contains one or more performance obligations.

**What’s next – agenda highlights**
The GASB’s agenda also includes:

- Conceptual framework: disclosure framework
- Implementation guidance – 2020 update
## Effective date matrices

### Effective date matrix – final FASB pronouncements

**Note:** Early adoption generally is permitted unless otherwise noted.

<table>
<thead>
<tr>
<th>Effective in 2019 for public¹ calendar year-end entities²</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASU 2019-07</strong> Codification Updates to SEC Sections – Amendments to SEC Paragraphs Pursuant to SEC Final Rule Releases No. 33-10532, Disclosure Update and Simplification, and Nos. 33-10231 and 33-10442, Investment Company Reporting Modernization, and Miscellaneous Updates (SEC Update)³</td>
<td>Effective upon issuance (26 July 2019). See SEC releases for effective date information.</td>
</tr>
<tr>
<td><strong>ASU 2019-06</strong> Intangibles – Goodwill and Other (Topic 350), Business Combinations (Topic 805), and Not-for-Profit Entities (Topic 958), Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities</td>
<td>Effective upon issuance (30 May 2019).</td>
</tr>
<tr>
<td><strong>ASU 2019-01</strong> Leases (Topic 842), Codification Improvements</td>
<td>Amendments to clarify transition disclosure requirements: Effective upon adoption of the amendments in ASU 2016-02. Other amendments: Effective for fiscal years beginning after 15 December 2019, and interim periods within those fiscal years.</td>
</tr>
<tr>
<td><strong>ASU 2018-20</strong> Leases (Topic 842), Narrow-Scope Improvements for Lessors</td>
<td>Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: May apply the amendments either in the first reporting period ending or beginning after the issuance of the ASU (10 December 2018) or on the date they would have been required to adopt ASC 842.</td>
</tr>
<tr>
<td><strong>ASU 2018-16</strong> Derivatives and Hedging (Topic 815), Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes</td>
<td>Entities that have not yet adopted ASU 2017-12: Effective upon adoption of the amendments in ASU 2017-12. Early adoption is not permitted before an entity’s adoption of ASU 2017-12. Entities that have adopted ASU 2017-12: Effective for fiscal years beginning after 15 December 2018, and interim periods within those fiscal years.</td>
</tr>
<tr>
<td><strong>ASU 2018-11</strong> Leases (Topic 842), Targeted Improvements</td>
<td>Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: May apply the lessor expedient either in the first reporting period following the issuance of the ASU (30 July 2018) or on the date they would have been required to adopt ASC 842.</td>
</tr>
<tr>
<td><strong>ASU 2018-10</strong> Codification Improvements to Topic 842, Leases</td>
<td>Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: Effective upon issuance (18 July 2018).</td>
</tr>
</tbody>
</table>

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¹ Refer to each ASU to determine which types of entities (e.g., public business entities, not-for-profits, employee benefit plans) are subject to these effective dates.

² The Jumpstart Our Business Startups Act allows emerging growth companies to follow private company effective dates for new or revised accounting standards issued after 5 April 2012. However, an emerging growth company must follow public company effective dates for all such standards if it has disclosed an election to do so.

³ This ASU adds or amends SEC paragraphs in the Codification that describe SEC guidance or SEC staff views that the FASB includes as a convenience to Codification users.
# Effective in 2019 for public calendar year-end entities

<table>
<thead>
<tr>
<th>ASU</th>
<th>Description</th>
<th>Effective Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-09</td>
<td>Codification Improvements</td>
<td>Amendments that do not have transition guidance: Effective upon issuance (16 July 2018). Amendments to ASC 740: Effective upon adoption of the amendments in ASU 2016-16. Certain amendments to ASC 820 and ASC 944: Effective upon adoption of the amendments in ASU 2016-01. Other amendments that are subject to transition guidance: Effective for annual periods beginning after 15 December 2018, including interim periods within those annual periods.</td>
</tr>
<tr>
<td>2018-08</td>
<td>Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made</td>
<td>Resource recipients: Effective for annual periods beginning after 15 June 2018, including interim periods within those annual periods. Resource providers: Effective for annual periods beginning after 15 December 2018, including interim periods within those annual periods.</td>
</tr>
<tr>
<td>2018-07</td>
<td>Compensation – Stock Compensation (Topic 718), Improvements to Nonemployee Share-Based Payment Accounting</td>
<td>Effective for fiscal years beginning after 15 December 2018, including interim periods within those fiscal years. Early adoption is not permitted before an entity’s adoption of ASC 606.</td>
</tr>
<tr>
<td>2018-01</td>
<td>Leases (Topic 842), Land Easement Practical Expedient for Transition to Topic 842</td>
<td>Effective upon adoption of the amendments in ASU 2016-02.</td>
</tr>
<tr>
<td>2017-13</td>
<td>Revenue Recognition (Topic 605), Revenue from Contracts with Customers (Topic 606), Leases (Topic 840), and Leases (Topic 842), Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Recission of Prior SEC Staff Announcements and Observer Comments (SEC Update)</td>
<td>Amendments to ASC 606 and ASC 842: Effective upon announcement. Amendments to ASC 605: Effective upon adoption of the amendments in ASU 2014-09. Amendments to ASC 840: Effective upon adoption of the amendments in ASU 2016-02.</td>
</tr>
<tr>
<td>2017-12</td>
<td>Derivatives and Hedging (Topic 815), Targeted Improvements to Accounting for Hedging Activities</td>
<td>Effective for fiscal years beginning after 15 December 2018, and interim periods within those fiscal years.</td>
</tr>
<tr>
<td>2017-11</td>
<td>Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815), (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception</td>
<td>Amendments in Part I: Effective for fiscal years beginning after 15 December 2018, including interim periods within those fiscal years. Amendments in Part II: Transition is not required.</td>
</tr>
<tr>
<td>2017-08</td>
<td>Receivables – Nonrefundable Fees and Other Costs (Subtopic 310-20), Premium Amortization on Purchased Callable Debt Securities</td>
<td>Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2018.</td>
</tr>
</tbody>
</table>
### Effective in 2019 for public¹ calendar year-end entities²

| ASU 2016-02 | Leases (Topic 842) | Effective for fiscal years beginning after 15 December 2018, and interim periods within those fiscal years. |

### Effective after 2019 for public¹ calendar year-end entities²

| ASU 2019-05 | Financial Instruments – Credit Losses (Topic 326), Targeted Transition Relief | Entities that have not yet adopted ASU 2016-13: Effective upon adoption of the amendments in ASU 2016-13. Early adoption is not permitted before an entity’s adoption of ASU 2016-13. Entities that have adopted ASU 2016-13: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. |
| ASU 2019-04 | Codification Improvements to Topic 326, Financial Instruments – Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments | Amendments related to ASU 2016-13, for entities that have not yet adopted that guidance: Effective upon adoption of the amendments in ASU 2016-13. Early adoption is not permitted before an entity’s adoption of ASU 2016-13. Amendments related to ASU 2016-13, for entities that have adopted that guidance: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Amendments related to ASU 2017-12, for entities that have not yet adopted that guidance: Effective upon adoption of the amendments in ASU 2017-12. Early adoption is not permitted before an entity’s adoption of ASU 2017-12. Amendments related to ASU 2017-12, for entities that have adopted that guidance: Effective as of the beginning of the first annual reporting period beginning after issuance of this ASU (25 April 2019). Amendments related to ASU 2016-01: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Early adoption is not permitted before an entity’s adoption of ASU 2016-01. |
| ASU 2019-03 | Not-for-Profit Entities (Topic 958), Updating the Definition of Collections | Effective for annual periods beginning after 15 December 2019, and interim periods within annual periods beginning after 15 December 2020. |
| ASU 2019-02 | Entertainment – Films – Other Assets – Film Costs (Subtopic 926-20) and Entertainment – Broadcasters – Intangibles – Goodwill and Other (Subtopic 920-350), Improvements to Accounting for Costs of Films and License Agreements for Program Materials | Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2019. |
| ASU 2018-18 | Collaborative Arrangements (Topic 808), Clarifying the Interaction between Topic 808 and Topic 606 | Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Early adoption is not permitted before an entity’s adoption of ASC 606. |
| ASU 2018-17 | Consolidation (Topic 810), Targeted Improvements to Related Party Guidance for Variable Interest Entities | Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. |
### Effective after 2019 for public calendar year-end entities

<table>
<thead>
<tr>
<th>ASU</th>
<th>Description</th>
<th>Effective for financial statements issued for fiscal years ending after 15 December 2020.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASU 2018-12</td>
<td>Financial Services — Insurance (Topic 944), Targeted Improvements to the Accounting for Long-Duration Contracts</td>
<td>Effective for fiscal years beginning after 15 December 2020, and interim periods within those fiscal years.⁴</td>
</tr>
</tbody>
</table>
| ASU 2017-04 | Intangibles — Goodwill and Other (Topic 350), Simplifying the Test for Goodwill Impairment | Public business entities that meet the definition of an SEC filer: Effective for annual and any interim impairment tests performed for periods beginning after 15 December 2019.  
Other public business entities: Effective for annual and any interim impairment tests performed for periods beginning after 15 December 2020. |
| ASU 2016-13 | Financial Instruments — Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments | Public business entities that meet the definition of an SEC filer: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years.⁵  
Other public business entities: Effective for fiscal years beginning after 15 December 2020, including interim periods within those fiscal years.⁵  
Earlier application is permitted only for fiscal years beginning after 15 December 2018, including interim periods within those fiscal years.⁵ |

### Effective in 2019 for nonpublic calendar year-end entities

<table>
<thead>
<tr>
<th>ASU</th>
<th>Description</th>
<th>Effective upon issuance (30 May 2019).</th>
</tr>
</thead>
</table>
| ASU 2019-06 | Intangibles — Goodwill and Other (Topic 350), Business Combinations (Topic 805), and Not-for-Profit Entities (Topic 958), Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities | Amendments that do not have transition guidance: Effective upon issuance (16 July 2018).  
Amendments to ASC 740: Effective upon adoption of the amendments in ASU 2016-16.  
Certain amendments to ASC 820 and ASC 944: Effective upon adoption of the amendments in ASU 2016-01.  
Other amendments that are subject to transition guidance: Effective for annual periods beginning after 15 December 2019, and interim periods within annual periods beginning after 15 December 2020. |
| ASU 2018-09 | Codification Improvements |----------------------------------------------------------|

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⁴ The FASB proposed deferring the effective dates of the new standard on long-duration insurance contracts for all entities. The proposal would require SEC filers that are not smaller reporting companies (SRCs) to adopt the standard for fiscal years beginning after 15 December 2021, including interim periods within those fiscal years. All other entities would be required to adopt it for fiscal years beginning after 15 December 2023 and interim periods within fiscal years beginning after 15 December 2024.

⁵ The FASB proposed deferring the effective date of the new credit losses standard for all entities except SEC filers that are not SRCs to fiscal years beginning after 15 December 2022, including interim periods within those fiscal years.

⁶ Refer to each ASU to determine which types of entities (e.g., private companies, not-for-profits, employee benefit plans) are subject to these effective dates.
### Effective in 2019 for nonpublic\(^c\) calendar year-end entities

| ASU 2018-03 | Technical Corrections and Improvements to Financial Instruments – Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities | Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019. Early adoption is not permitted unless the entity has early adopted the amendments in ASU 2016-01. |
| ASU 2017-10 | Service Concession Arrangements (Topic 853), Determining the Customer of the Operation Services | Entities that have not yet adopted ASC 606: Effective upon adoption of the amendments in ASU 2014-09. Entities that have adopted ASC 606: Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019. |
| ASU 2017-05 | Other Income – Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20), Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets | Effective upon adoption of the amendments in ASU 2014-09. |
| ASU 2016-20 | Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers | Effective upon adoption of the amendments in ASU 2014-09. |
### Effective in 2019 for nonpublic\(^6\) calendar year-end entities

| ASU 2016-12 | Revenue from Contracts with Customers (Topic 606), Narrow-Scope Improvements and Practical Expedients | Effective upon adoption of the amendments in ASU 2014-09. |
| ASU 2016-10 | Revenue from Contracts with Customers (Topic 606), Identifying Performance Obligations and Licensing | Effective upon adoption of the amendments in ASU 2014-09. |
| ASU 2016-08 | Revenue from Contracts with Customers (Topic 606), Principal versus Agent Considerations (Reporting Revenue Gross versus Net) | Effective upon adoption of the amendments in ASU 2014-09. |
| ASU 2016-01 | Financial Instruments – Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities | Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019. Application prior to the effective date for public business entities is prohibited, except for the presentation guidance in ASC 825-10-45-5 through 45-7 and the provision in ASC 825-10-65-2 that eliminates the fair value disclosures for financial instruments required by the General Subsection of ASC 825-10-50. |
| ASU 2014-09 | Revenue from Contracts with Customers (Topic 606) | Effective for annual reporting periods beginning after 15 December 2018, and interim reporting periods within annual reporting periods beginning after 15 December 2019. Application prior to the original effective date for public entities is prohibited.\(^7\) |

### Effective after 2019 for nonpublic\(^6\) calendar year-end entities

| ASU 2019-05 | Financial Instruments – Credit Losses (Topic 326), Targeted Transition Relief | Entities that have not yet adopted ASU 2016-13: Effective upon adoption of the amendments in ASU 2016-13. Early adoption is not permitted before an entity’s adoption of ASU 2016-13. Entities that have adopted ASU 2016-13: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. |
| ASU 2019-04 | Codification Improvements to Topic 326, Financial Instruments – Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments | Amendments related to ASU 2016-13, for entities that have not yet adopted that guidance: Effective upon adoption of the amendments in ASU 2016-13. Early adoption is not permitted before an entity’s adoption of ASU 2016-13. Amendments related to ASU 2016-13, for entities that have adopted that guidance: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Amendments related to ASU 2017-12, for entities that have not yet adopted that guidance: Effective upon adoption of the amendments in ASU 2017-12. Early adoption is not permitted before an entity’s adoption of ASU 2017-12. Amendments related to ASU 2017-12, for entities that have adopted that guidance: Effective as of the beginning of the first annual reporting period beginning after issuance of this ASU (25 April 2019). Amendments related to ASU 2016-01: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Early adoption is not permitted before an entity’s adoption of ASU 2016-01. |

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\(^7\) ASU 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, provided a one-year deferral of the effective date for the new revenue standard for public and nonpublic entities reporting under US GAAP.
### Effective after 2019 for nonpublic[^6] calendar year-end entities

<table>
<thead>
<tr>
<th>ASU 2019-03</th>
<th>Not-for-Profit Entities (Topic 958), Updating the Definition of Collections</th>
<th>Effective for annual periods beginning after 15 December 2019, and interim periods within annual periods beginning after 15 December 2020.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASU 2019-02</td>
<td>Entertainment – Films – Other Assets – Film Costs (Subtopic 926-20) and Entertainment – Broadcasters – Intangibles – Goodwill and Other (Subtopic 920-350), Improvements to Accounting for Costs of Films and License Agreements for Program Materials</td>
<td>Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2020.</td>
</tr>
<tr>
<td>ASU 2019-01</td>
<td>Leases (Topic 842), Codification Improvements</td>
<td>Amendments to clarify transition disclosure requirements: Effective upon adoption of the amendments in ASU 2016-02. Other amendments: Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020.</td>
</tr>
<tr>
<td>ASU 2018-20</td>
<td>Leases (Topic 842), Narrow-Scope Improvements for Lessors</td>
<td>Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: May apply the amendments either in the first reporting period ending or beginning after the issuance of the ASU (10 December 2018) or on the date they would have been required to adopt ASC 842.</td>
</tr>
<tr>
<td>ASU 2018-18</td>
<td>Collaborative Arrangements (Topic 808), Clarifying the Interaction between Topic 808 and Topic 606</td>
<td>Effective for fiscal years beginning after 15 December 2020, and interim periods within fiscal years beginning after 15 December 2021. Early adoption is not permitted before an entity’s adoption of ASC 606.</td>
</tr>
<tr>
<td>ASU 2018-16</td>
<td>Derivatives and Hedging (Topic 815), Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes</td>
<td>Entities that have not yet adopted ASU 2017-12: Effective upon adoption of the amendments in ASU 2017-12. Early adoption is not permitted before an entity’s adoption of ASU 2017-12. Entities that have adopted ASU 2017-12: Effective for fiscal years beginning after 15 December 2019, and interim periods within those fiscal years.</td>
</tr>
</tbody>
</table>

[^6]: The FASB proposed deferring the effective date for its new standard on leases for entities that are not PBEs; not NFP entities that have issued, or are conduit bond obligors for, certain securities; and not employee benefit plans that file or furnish financial statements with or to the SEC to fiscal years beginning after 15 December 2020 and interim periods within fiscal years beginning after 15 December 2021.
<table>
<thead>
<tr>
<th>ASU Number</th>
<th>Title</th>
<th>Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASU 2018-12</td>
<td>Financial Services – Insurance (Topic 944), Targeted Improvements to the Accounting for Long-Duration Contracts</td>
<td>Effective for fiscal years beginning after 15 December 2021, and interim periods within fiscal years beginning after 15 December 2022.(^4)</td>
</tr>
<tr>
<td>ASU 2018-11</td>
<td>Leases (Topic 842), Targeted Improvements</td>
<td>Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: May apply the lessor expedient either in the first reporting period following the issuance of the ASU (30 July 2018) or on the date they would have been required to adopt ASC 842.</td>
</tr>
<tr>
<td>ASU 2018-10</td>
<td>Codification Improvements to Topic 842, Leases</td>
<td>Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: Effective upon issuance (18 July 2018).</td>
</tr>
<tr>
<td>ASU 2018-07</td>
<td>Compensation – Stock Compensation (Topic 718), Improvements to Nonemployee Share-Based Payment Accounting</td>
<td>Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020. Early adoption is not permitted before an entity’s adoption of ASC 606.</td>
</tr>
<tr>
<td>ASU 2018-01</td>
<td>Leases (Topic 842), Land Easement Practical Expedient for Transition to Topic 842</td>
<td>Effective upon adoption of the amendments in ASU 2016-02.</td>
</tr>
<tr>
<td>ASU 2017-12</td>
<td>Derivatives and Hedging (Topic 815), Targeted Improvements to Accounting for Hedging Activities</td>
<td>Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020.(^9)</td>
</tr>
<tr>
<td>ASU 2017-11</td>
<td>Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815), (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception</td>
<td>Amendments in Part I: Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020. Amendments in Part II: Transition is not required.</td>
</tr>
<tr>
<td>ASU 2017-08</td>
<td>Receivables – Nonrefundable Fees and Other Costs (Subtopic 310-20); Premium Amortization on Purchased Callable Debt Securities</td>
<td>Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020.</td>
</tr>
<tr>
<td>ASU 2017-04</td>
<td>Intangibles – Goodwill and Other (Topic 350), Simplifying the Test for Goodwill Impairment</td>
<td>Effective for annual and any interim impairment tests performed for periods beginning after 15 December 2021.</td>
</tr>
<tr>
<td>ASU 2016-13</td>
<td>Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments</td>
<td>Effective for fiscal years beginning after 15 December 2021, including interim periods within those fiscal years.(^5,10) Earlier application is permitted only for fiscal years beginning after 15 December 2018, including interim periods within those fiscal years.</td>
</tr>
<tr>
<td>ASU 2016-02</td>
<td>Leases (Topic 842)</td>
<td>Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020.(^8)</td>
</tr>
</tbody>
</table>

\(^9\) The FASB proposed deferring the effective date for its new standard on hedging for entities that are not PBEs to fiscal years beginning after 15 December 2020 and interim periods within fiscal years beginning after 15 December 2021.

\(^10\) ASU 2018-19 changed the effective date of ASU 2016-13 for entities other than public business entities.
<table>
<thead>
<tr>
<th>Title</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solicitations of Interest Prior to a Registered Public Offering</td>
<td>3 December 2019.</td>
</tr>
<tr>
<td>Exchange-Traded Funds</td>
<td>Effective 60 days after publication in the Federal Register, but there will be a one-year transition period for compliance with the form amendments.</td>
</tr>
<tr>
<td>Auditor Independence With Respect to Certain Loans or Debtor-Creditor Relationships</td>
<td>3 October 2019.</td>
</tr>
<tr>
<td>FAST Act Modernization and Simplification of Regulation S-K</td>
<td>The provisions related to the redaction of confidential information in exhibits are effective 2 April 2019, and the provisions requiring XBRL data tagging of all information on the cover pages of specified forms are subject to a three-year phase-in, depending on the registrant’s filing status. All other provisions are effective 2 May 2019.</td>
</tr>
<tr>
<td>Disclosure of Hedging by Employees or Directors</td>
<td>Registrants other than SRCs and EGCs must provide the disclosures during fiscal years beginning on or after 1 July 2019. SRCs and EGCs must provide the disclosures during fiscal years beginning on or after 1 July 2020.</td>
</tr>
<tr>
<td>Amendments to Regulation A</td>
<td>31 January 2019.</td>
</tr>
<tr>
<td>Modernization of Property Disclosures for Mining Registrants</td>
<td>25 February 2019.</td>
</tr>
<tr>
<td>Disclosure Update and Simplification</td>
<td>5 November 2018.</td>
</tr>
<tr>
<td>Exempt Offerings Pursuant to Compensatory Arrangements</td>
<td>23 July 2018.</td>
</tr>
<tr>
<td>Optional Internet Availability of Investment Company Shareholder Reports</td>
<td>1 January 2019, with certain exceptions.</td>
</tr>
<tr>
<td>Inline XBRL Filing of Tagged Data</td>
<td>Operating companies filing as large accelerated, accelerated and non-accelerated filers are required to comply beginning with fiscal periods ending on or after 15 June 2019, 2020 and 2021, respectively. Larger mutual funds (i.e., funds with net assets of $1 billion or more as of the end of the most recent fiscal year) have to comply two years after the rule becomes effective. Smaller mutual funds have to comply with the requirement three years after the rule becomes effective.</td>
</tr>
<tr>
<td>Amendments to Smaller Reporting Company Definition</td>
<td>10 September 2018.</td>
</tr>
<tr>
<td>Investment Company Liquidity Risk Management Programs</td>
<td>Fund complexes with net assets of $1 billion or more will be required to comply with the liquidity risk management program requirements starting 1 June 2019, while those with less than $1 billion in net assets will have to do so starting 1 December 2019.</td>
</tr>
<tr>
<td>Exhibit Hyperlinks and HTML Format</td>
<td>The rule is effective 1 September 2017 for accelerated filers and large accelerated filers and 1 September 2018 for smaller reporting companies and non-accelerated filers.</td>
</tr>
<tr>
<td>Title</td>
<td>Effective Date</td>
</tr>
<tr>
<td>------------------------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Investment Companies Reporting Modernization</td>
<td>The amendments to Regulation S-X are effective for periods ending on or after 1 August 2017. The compliance date for Form N-CEN is 1 June 2018. The compliance date for Form N-PORT was delayed to 1 March 2019 for larger fund complexes and 1 March 2020 for smaller fund complexes. Funds must maintain in their records the information that is required to be included in Form N-PORT for reporting periods ending 30 June 2018 through 28 February 2019. Larger fund complexes (i.e., those with $1 billion or more in net assets) with fiscal quarters ending 31 March 2019 will be required to file their first report on Form N-PORT by 30 May 2019. Consistent with the delayed compliance date of 1 March 2019, those funds will only file a report for the final month of the quarter (i.e., March 2019). Funds with fiscal quarters ending 30 April 2019 will file reports on Form N-PORT for the final two months of the quarter (i.e., March and April 2019) by 1 July 2019, while funds with fiscal quarters ending 31 May 2019 will file reports on Form N-PORT for all months in the quarter by 30 July 2019.</td>
</tr>
<tr>
<td>Investment Company Swing Pricing</td>
<td>19 November 2018.</td>
</tr>
<tr>
<td>Title</td>
<td>Effective date</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Amendments to Auditing Standards for Auditor’s Use of the Work of Specialists</td>
<td>Effective for audits of fiscal years ending on or after 15 December 2020.</td>
</tr>
<tr>
<td>Auditing Accounting Estimates, Including Fair Value Measurements</td>
<td>Effective for audits of fiscal years ending on or after 15 December 2020.</td>
</tr>
<tr>
<td>The Auditor’s Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion</td>
<td>Effective for audits of financial statements for annual reporting periods ending on or after 15 December 2017, except for the requirement to communicate CAMs. Requirement to communicate CAMs will be effective for annual periods ending on or after 30 June 2019 for large accelerated filers and 15 December 2020 for all other filers.</td>
</tr>
<tr>
<td>Improving the Transparency of Audits: Rules to Require Disclosure of Certain Audit Participants on a New PCAOB Form and Related Amendments to Auditing Standards</td>
<td>Disclosure of the name of the audit partner will be required for auditors’ reports issued on or after 31 January 2017. Disclosure of other accounting firms participating in the audit will be required for auditors' reports issued on or after 30 June 2017.</td>
</tr>
</tbody>
</table>
### Effective date matrix – final AICPA standards

<table>
<thead>
<tr>
<th>Title</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAS No. 137, The Auditor’s Responsibilities Relating to Other</td>
<td>Effective for audits of financial statements for periods ending on or after 15 December 2020. Early implementation is not permitted.</td>
</tr>
<tr>
<td>Information Included in Annual Reports</td>
<td></td>
</tr>
<tr>
<td>SAS No. 136, Forming an Opinion and Reporting on Financial</td>
<td>Effective for audits of ERISA plan financial statements for periods ending on or after 15 December 2020. Early implementation is not permitted.</td>
</tr>
<tr>
<td>Statements of Employee Benefit Plans Subject to ERISA</td>
<td></td>
</tr>
<tr>
<td>SAS No. 134, Auditor Reporting and Amendments, Including</td>
<td>Effective for audits of financial statements for periods ending on or after 15 December 2020. Early implementation is not permitted.</td>
</tr>
<tr>
<td>Amendments Addressing Disclosures in the Audit of Financial</td>
<td></td>
</tr>
<tr>
<td>Statements</td>
<td></td>
</tr>
<tr>
<td>SAS No. 133, Auditor Involvement with Exempt Offering Documents</td>
<td>Effective for exempt offering documents with which the auditor is involved that are initially distributed, circulated or submitted on or after 15 June 2018.</td>
</tr>
<tr>
<td>SAS No. 132, The Auditor’s Consideration of an Entity’s Ability</td>
<td>Effective for audits of financial statements for periods ending on or after 15 December 2017 and reviews of financial information for interim</td>
</tr>
<tr>
<td>to Continue as a Going Concern</td>
<td>periods beginning after fiscal years ending on or after 15 December 2017.</td>
</tr>
<tr>
<td>SAS No. 131, Amendment to Statement on Auditing Standards No. 122</td>
<td>Effective for audits of financial statements for periods ending on or after 15 June 2016.</td>
</tr>
<tr>
<td>Section 700, Forming an Opinion and Reporting on Financial Statements</td>
<td></td>
</tr>
<tr>
<td>Statement on Standards for Attestation Engagements No. 18, Attestation</td>
<td>Effective for practitioners’ reports dated on or after 1 May 2017. Early adoption is permitted.</td>
</tr>
<tr>
<td>Standards: Clarification and Recodification</td>
<td></td>
</tr>
<tr>
<td>SSARS No. 24, Omnibus Statement on Standards for Accounting and Review</td>
<td>Except for the revision to paragraph .39 of AR-C section 90, which is effective upon issuance, effective for compilations and reviews of financial</td>
</tr>
<tr>
<td>Services – 2018</td>
<td>statements for periods ending on or after 15 June 2019.</td>
</tr>
<tr>
<td>SSARS No. 23, Omnibus Statement on Standards for Accounting and Review</td>
<td>Effective upon issuance other than certain amendments relating to prospective financial information in AR-C Section 70 and AR-C Section 80</td>
</tr>
<tr>
<td>Services – 2016</td>
<td>that are effective on or after 1 May 2017.</td>
</tr>
<tr>
<td>SSARS No. 22, Compilation of Pro Forma Financial Information</td>
<td>Effective for compilation reports on pro forma financial information dated on or after 1 May 2017.</td>
</tr>
</tbody>
</table>
### Effective date matrix – final GASB pronouncements

<table>
<thead>
<tr>
<th>Title</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement No. 91, Conduit Debt Obligations</td>
<td>Effective for reporting periods beginning after 15 December 2020. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 90, Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61</td>
<td>Effective for reporting periods beginning after 15 December 2018. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period</td>
<td>Effective for reporting periods beginning after 15 December 2019. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements</td>
<td>Effective for reporting periods beginning after 15 June 2018. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 87, Leases</td>
<td>Effective for reporting periods beginning after 15 December 2019. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 86, Certain Debt Extinguishment Issues</td>
<td>Effective for reporting periods beginning after 15 June 2017. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 85, Omnibus 2017</td>
<td>Effective for reporting periods beginning after 15 June 2017. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 84, Fiduciary Activities</td>
<td>Effective for reporting periods beginning after 15 December 2018. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 83, Certain Asset Retirement Obligations</td>
<td>Effective for reporting periods beginning after 15 June 2018. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions</td>
<td>Effective for fiscal years beginning after 15 June 2017. Earlier application is encouraged.</td>
</tr>
</tbody>
</table>
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